

# ARKANSAS CODE OF 1987 ANNOTATED



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# **TITLE 6**

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## ***SUBTITLE 4. VOCATIONAL AND TECHNICAL EDUCATION***

## **CHAPTER 50**

### **GENERAL PROVISIONS**

#### SUBCHAPTER.

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## SUBCHAPTER 2 — TECHNICAL CAREERS STUDENT LOAN FORGIVENESS PROGRAM

### SECTION.

6-50-207. Amount of loan forgiveness.

### 6-50-207. Amount of loan forgiveness.

(a) The yearly amount for each student's loan forgiveness shall not exceed the maximum yearly amount allowed under the Arkansas Academic Challenge Scholarship Program.

(b) Eligible students may participate in the loan forgiveness program for a maximum of:

(1) Four (4) years for a bachelor's degree or its equivalent as determined by rules and regulations;

(2) Two (2) years for a master's degree;

(3) Four (4) years for a Ph.D. degree;

(4) Six (6) years for a bachelor's degree and a master's degree or a master's degree and a Ph.D. degree; or

(5) Nine (9) years for a bachelor's degree, master's degree, and a Ph.D. degree.

(c) With input from the Department of Higher Education and other appropriate entities, the State Board of Career Education shall establish through rules and regulations loan forgiveness amounts for approved technical education programs for students enrolled on a less than full-time basis.

**History.** Acts 1999, No. 652, § 7; 2005, No. 1232, § 10.

## SUBCHAPTER 7 — ARKANSAS EXISTING WORKFORCE TRAINING ACT OF 1995

### SECTION.

6-50-702. Definitions.

6-50-703. Arkansas Existing Workforce Training Program — Creation — Purpose.

### SECTION.

6-50-704. Rules and regulations for program.

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**A.C.R.C. Notes.** Acts 2011, No. 956, § 23, provided: "ADULT EDUCATION DISTRIBUTION. All funds that become available for Adult Education shall be distributed to those administrative units determined to be operating efficient and effective adult education programs, under criteria established by the State Board of Career Education. The criteria shall include the relative efficiency of administration of the program in the counties served and achievement of federal performance indicators. The State Board of Career

Education shall promulgate rules and regulations for the distribution of funds in accordance with criteria to be determined by the Board. In the distribution of funds to local units the Board shall consider performance in meeting state and federal performance indicators. Unallocated funds will be redistributed based upon need as determined by the State Board of Career Education.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."



**6-50-702. Definitions.**

As used in this subchapter, unless the context otherwise requires:

(1) "Basic skills training" means those math, reading, English, listening, oral and written communication, and computer literacy skills that a person can reasonably be expected to have attained by the end of the twelfth grade except in the instance of potential new workforce training;

(2) "Classroom training" means instructor-led training that is provided outside the process of the production of goods or the delivery of a service;

(3)(A) "Consortium" means a group of companies that includes at least three (3) eligible companies as defined in subdivision (4) of this section and which for fiscal purposes is either a private, not-for-profit corporation or an organized group that has a coordinating board or committee and a mission statement, that has or is in the process of developing bylaws, and that is establishing a bank account requiring at least two (2) consortium members' signatures.

(B) Consortia may have members that are not eligible companies so long as at least three (3) of the consortium member companies are eligible companies.

(C) Fifty percent (50%) of the eligible participants completing each course must be employees of eligible companies;

(4)(A) "Eligible company" means an entity currently operating in the state that has filed a corporate income tax return for the year prior to the year in which the application was submitted and is classified in one (1) of the following ways:

(i) Manufacturers classified in sectors 31-33 under the North American Industrial Classification System as it existed on January 1, 2007;

(ii) Manufacturers classified in sectors 20-39 according to the Standard Industrial Classification standards as they existed on January 1, 2007, but which are classified in another sector under the North American Industrial Classification System as it existed on January 1, 2007;

(iii)(a) Businesses primarily engaged in the design and development of prepackaged software, digital content production and preservation, computer processing and data preparation services, or information retrieval services.

(b) All businesses under subdivision (4)(A)(iii)(a) shall derive at least seventy-five percent (75%) of their sales revenue from out of state;

(iv)(a) Businesses primarily engaged in motion picture productions.

(b) All businesses under subdivision (4)(A)(iv)(a) of this section shall derive at least seventy-five percent (75%) of their sales revenue from out of state;

(v) An intermodal facility or distribution center, if seventy-five percent (75%) of its sales revenue is from out of state;

(vi) An office sector business if seventy-five percent (75%) of its sales revenue is from out of state;

(vii) Firms primarily engaged in commercial, physical, and biological research as classified under the North American Industry Classification System code 541710 as it existed on January 1, 2003;

(viii) A national or regional corporate headquarters as classified under North American Industry Classification System code 551114 as it existed on January 1, 2003, if the national or regional headquarters serves more than one (1) state;

(ix)(a) A scientific and technical services business.

(b)(1) All businesses under subdivision (4)(A)(ix)(a) of this section shall derive at least seventy-five percent (75%) of their sales revenue from out of state.

(2)(A) The average hourly wages paid by businesses in this group shall not exceed one hundred fifty percent (150%) of the county average hourly wage or the state average hourly wage, whichever is less.

(B) The average hourly wage threshold determined at the signing of the financial incentive agreement shall be the threshold for the term of the agreement;

(x)(a) All building trade industries classified under North American Industry Classification System codes 236 and 238 as they existed on January 1, 2003.

(b) A business classified under North American Industry Classification System code 23899 shall not qualify as a building trade industry; and

(xi) Air transport businesses primarily engaged in aircraft maintenance, repair services, and aircraft testing as classified under North American Industry Classification System code 488190 as it existed on January 1, 2007.

(B) The Director of the Arkansas Economic Development Commission may classify a nonretail business as an eligible company if:

(i) The business receives at least seventy-five percent (75%) of its sales revenue from out of state; and

(ii) The business proposes to pay wages in excess of one hundred ten percent (110%) of the county average hourly wage or state average hourly wage, whichever is less;

(5) "Eligible recipient" means a full-time permanent employee of an Arkansas company or consortium who is subject to the Arkansas personal income tax;

(6) "Governing council" means the directors or their designees of the Arkansas Economic Development Commission, the Department of Higher Education, and the Department of Career Education;

(7) "Internal training" means classroom training provided to company employees by company trainers who may be either full-time employees of the company or consultants paid by the company;

(8) "Potential new workforce" means two (2) or more eligible companies with common job skill requirements requiring a minimum of

fifteen (15) new employees and conducting a minimum of fifteen (15) hours of preemployment training, thereby allowing prospective employees and employers an opportunity to evaluate one another before making employment commitments; and

(9)(A) "State-supported educational institution" means a secondary or postsecondary Arkansas educational institution that receives the majority of its funding from state or local tax revenues.

(B) However, for purposes of this subchapter, Texarkana College may be considered a state-supported educational institution for the purpose of delivering training services to eligible companies located in Miller County, if Texarkana College continues to waive out-of-state tuition for residents of Arkansas.

**History.** Acts 1995, No. 791, § 2; 1997, No. 540, § 7; 1999, No. 1134, § 1; 2003, No. 609, § 1; 2007, No. 1003, §§ 1, 4.

**Amendments.** The 2007 amendment added "except in the instance of potential new workforce training" in (1); deleted

former (3); redesignated former (4) as present (3); added present (4); deleted former (6) and redesignated the remaining subsections accordingly; added (8); and made related changes.

### **6-50-703. Arkansas Existing Workforce Training Program — Creation — Purpose.**

(a) There is hereby created the Arkansas Existing Workforce Training Program, to be administered by a governing council composed of equal representation from the Department of Higher Education, the Department of Career Education, and the Arkansas Economic Development Commission.

(b) The primary purpose of the program shall be to provide financial assistance to Arkansas business and industry for upgrading the knowledge and skills of the existing work force or a potential new workforce and to increase the capacity of state-supported educational institutions to supply the ongoing training needs of Arkansas companies.

(c)(1)(A) When an eligible company uses a state-supported educational institution to provide its classroom training, financial support can either be in the form of a direct grant or in the form of an income tax credit.

(B) Companies that elect to receive a grant cannot claim a tax credit for the same purpose.

(2) When an eligible company is conducting internal training using company trainers or consultants, financial support can only be in the form of an income tax credit.

(3) When an eligible consortium uses a state-supported educational institution to provide its classroom training, financial support can only be in the form of a grant.

**History.** Acts 1995, No. 791, § 3; 1997, No. 540, § 8; 1999, No. 1134, § 2; 2007, No. 1003, §§ 2, 4.

**Amendments.** The 2007 amendment inserted "or a potential new workforce" in (b).



**6-50-704. Rules and regulations for program.**

(a) The Arkansas Economic Development Commission shall promulgate rules under the Arkansas Administrative Procedure Act, § 25-15-201 et seq., for implementation of this subchapter by the commission.

(b) Rules shall include, but not be limited to, the following:

(1) Training shall be conducted for the purpose of meeting specific business goals and performance objectives;

(2) As part of the application process, a company or consortium shall be responsible for determining that participants involved in the training program possess the appropriate prerequisite literacy skills;

(3)(A) The amount of financial support a company or consortium receives shall be determined and approved by the commission and set forth in writing prior to any funds' being committed and distributed or prior to any tax credits' being approved.

(B) For companies or consortia that use state-supported educational institutions to deliver classroom training to their employees, the amount of support shall be the lesser of:

(i) One-half (1/2) of the amount paid by the company to the state-supported educational institution for the training;

(ii)(a) The instructional hour rate established by the governing council, not to exceed eighty dollars (\$80.00) per instructional hour, times the number of instructional hours delivered with fifty percent (50%) or more of the eligible participants completing the course.

(b) For companies that use company employees or company-paid consultants to deliver classroom training to their employees, the amount of the tax credit shall not be more than twenty-five dollars (\$25.00) per instructional hour.

(c) The minimum class size needed to receive full benefits is five (5) trainees. For classes smaller than five (5), the amount of support will be reduced proportionally;

(iii) The instructional hour rate established by the governing council, not to exceed thirty-five dollars (\$35.00) per instructional hour, times the number of instructional hours for safety-related training; or

(iv) The instructional hour rate established by the governing council, not to exceed thirty-five dollars (\$35.00) per instructional hour, times the number of instructional hours for all courses with less than fifty percent (50%) of the eligible participants completing each course;

(4) Training delivered by means other than traditional classroom training may be considered by the governing council. For approved training delivered by means other than traditional classroom training, a flat rate of reimbursement will be established by the governing council;

(5) Applications for tax credits afforded by this subchapter shall be available on and after January 1, 2000;

(6) The maximum amount of total tax credits allowed by the commission pursuant to this subchapter shall not exceed four hundred fifty thousand dollars (\$450,000) per year;

(7) Neither grant funds nor tax credits shall be used to support any training, including remedial basic skills training, that is authorized under any other state or federal program; and

(8) Neither grant funds nor tax credits shall be used to support any training that is mandated by any state or federal law or regulation.

**History.** Acts 1995, No. 791, § 4; 1997, No. 540, § 9; 1999, No. 1134, § 3; 2003, No. 609, § 2; 2007, No. 1003, §§ 3, 4.

**Amendments.** The 2007 amendment substituted “rules under” for “rules and regulations in accord with” in (a); deleted “and regulations” following “Rules” in (b); substituted “determined and approved by the commission” for “determined by the department, approved by the governing council” in (b)(3)(A); in (b)(3)(B)(ii)(a), sub-

stituted “eighty dollars (\$80.00)” for “sixty dollars (\$60.00)” and deleted “by a full-time instructor or trainer” following “delivered”; substituted “twenty-five dollars (\$25.00)” for “fifteen dollars (\$15.00)” in (b)(3)(B)(ii)(b); deleted former (b)(3)(B)(iii); deleted “without a unanimous vote of the governing council” following “regulation” in (b)(8); and made related changes.

## CHAPTER 51

# VOCATIONAL AND TECHNICAL SCHOOLS

### SUBCHAPTER.

2. ESTABLISHMENT AND ADMINISTRATION GENERALLY.
5. HOUSING CONSTRUCTION PROGRAM.
6. PRIVATE RESIDENT AND CORRESPONDENCE SCHOOLS.
8. COMMUNITY-BASED EDUCATION CENTERS.

## SUBCHAPTER 1 — GENERAL PROVISIONS

### 6-51-104. Priorities.

**A.C.R.C. Notes.** Acts 2011, No. 958, § 8, provided: “PRIORITIES. A high priority of Mid-South Community College shall be to combat illiteracy and to provide industrial training in the work place concentrating on manufacturing industry needs in Crittenden County.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

Acts 2011, No. 960, § 5, provided: “PRIORITIES. Cossatot Community College of the University of Arkansas considers the following items HIGH PRIORITY and within the role and scope of the college:

“(1) The recruitment of underserved populations in the CCCUA service area, including but not limited to: Latinos, African Americans, Aging, and Non-Traditional students,

“(2) The development and offering of viable programs as defined by the Arkansas Department of Higher Education and the deletion of programs which are not viable,

“(3) The cultivating of relationships in the community that establishes more industry training and promotes economic development within the CCCUA service area,

“(4) The continued development of working relationships with area K-12 institutions to provide concurrent enrollment, Advanced Placement, technical training, and college readiness to these students,

“(5) The development of a comprehensive change in the way the college prepares students for college-level work, including the development of special



mastery learning programs within remedial math and English courses,

"(6) The continued expansion of campus facilities to accommodate continued record growth in credit and non-credit programs.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 961, § 5, provided: "PRIORITIES. A high priority of the Black River Technical College shall be to combat illiteracy and to provide industrial training in the work place.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 963, § 5, provided: "PRIORITIES. A high priority of the Ozarka College shall be to combat illiteracy and to provide industrial training in the work place.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 968, § 5, provided: "PRIORITIES. A high priority of the University of Arkansas Community College at Hope is to provide quality technical training programs, transfer programs, and workforce education.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 969, § 5, provided: "PRIORITIES. A high priority of the Pulaski Technical College shall be to provide access to high quality education that promotes student learning and support the economic development of the state.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 1077, § 5, provided: "PRIORITIES. A high priority of the Ouachita Technical College shall be to combat illiteracy and to provide industrial training in the work place.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 1081, § 5, provided: "PRIORITIES. A high priority of the University of Arkansas Community College at Batesville is to provide quality technical training programs, transfer programs, and workforce education.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 1083, § 5, provided: "PRIORITIES. A high priority of the University of Arkansas Community College at Morrilton shall be to provide a well-qualified workforce through quality educational programs of occupational and technical education.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 1090, § 5, provided: "PRIORITIES. A high priority of South Arkansas Community College shall be to combat illiteracy and to provide industrial training in the work place.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 1109, § 6, provided: "PRIORITIES. A high priority of the Arkansas State University — Mountain Home shall be to combat illiteracy and to provide industrial training in the work place.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

## 6-51-105. Priorities — Vocational-technical institutions.

**A.C.R.C. Notes.** Acts 2011, No. 958, § 8, provided: "PRIORITIES. A high priority of Mid-South Community College shall be to combat illiteracy and to provide industrial training in the work place con-

centrating on manufacturing industry needs in Crittenden County.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

## SUBCHAPTER 2 — ESTABLISHMENT AND ADMINISTRATION GENERALLY

### SECTION.

6-51-213. Administration of certain fed-

eral and state vocational education laws.

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 35, provided: "COOPERATION AGREEMENTS. Any two-year institution of Higher Education that has its main or a satellite campus located within a twenty five mile radius of any four-year institution of higher education shall enter into a

written agreement with that four-year institution which must address duplication of services between the institutions.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

### 6-51-213. Administration of certain federal and state vocational education laws.

(a) The State Board of Career Education is designated to:

(1) Carry into effect the provisions of the federal act and this act and have all necessary authority to cooperate with the United States Department of Education in the administration of the federal act;

(2) Administer any legislation pursuant thereto enacted by the General Assembly; and

(3) Administer the funds provided by the federal government and by the State of Arkansas under the provisions of the respective acts for the promotion of vocational-technical education in agricultural subjects and in trade and industrial subjects, as well as in family and consumer science.

(b) The state board shall have the full authority to:

(1) Formulate plans for the promotion of vocational education in subjects that are an essential and integral part of the public school system of education in the State of Arkansas and provide for the preparation of teachers of those subjects;

(2) Fix the compensation of officials and assistants as may be necessary to administer the federal act and this act for the State of Arkansas;

(3) Make studies and investigations relating to vocational education in such subjects;

(4) Promote and aid in the establishment by local communities of schools, departments, or classes;

(5) Prescribe qualifications for the teachers, directors, and supervisors of subjects and have full authority to provide for the certification of the teachers, directors, and supervisors;

(6) Cooperate in the maintenance of classes under its own direction and control; and

(7) Establish and determine by general regulations the qualifications to be possessed by persons engaged in the training of vocational teachers.

(c)(1) The Director of the Department of Career Education, as executive officer of the board for the purpose of administering the federal act and this act, shall, by and with the advice and consent of the board, designate assistants as may be necessary to carry out properly the provisions hereof.

(2) The director shall also carry into effect rules and regulations as the board may require.

(3) The records of the director as far as they pertain to the provisions of this act shall be kept in his or her office.

**History.** Acts 1931, No. 169, §§ 187, 1947, §§ 80-2514, 80-2515; Acts 1999, No. 188; Pope’s Dig., §§ 11629, 11630; A.S.A. 1323, § 35; 2005, No. 1962, § 14.

SUBCHAPTER 5 — HOUSING CONSTRUCTION PROGRAM

SECTION.

- 6-51-501. Establishment.
- 6-51-502. Approval and notification requirements — Advance of funds.
- 6-51-503. Procedure for purchase of lot.
- 6-51-504. Dwelling unit construction — Restrictions — Exemptions.

SECTION.

- 6-51-505. Applicability of state purchasing law and regulations.
- 6-51-506. Conformance with municipal codes.
- 6-51-507. Sale of dwelling unit.
- 6-51-508. Remittance of proceeds.

6-51-501. Establishment.

(a) There is established a program where state-supported technical institutes offering courses of training in the building trades may, in connection with these courses of training:

- (1) Acquire lots and construct thereon single family dwelling units in connection with the course of training in the building trades;
- (2) Sell such dwelling units and lots; and
- (3) Deposit the funds derived therefrom in a Building Trades Revolving Fund, which is created for that purpose.

(b) Riverside Vocational and Technical School may only construct non-dwelling unit building projects for state agencies or for private, nonprofit organizations, but not for the general public, in connection with the course of training in the building trades.

(c)(1) As used in this subchapter, “secondary area technical center” means a secondary area vocational center established under § 6-13-801 et seq. or as defined by the Department of Career Education.

(2) A secondary area technical center is authorized to construct single family dwelling units in connection with a course of training in the building trades.

(3) This subsection (c) does not authorize the purchase of land by a secondary area technical center.

**History.** Acts 1977, No. 678, § 1; A.S.A. 1947, § 80-2590; Acts 1997, No. 233, § 1; 2007, No. 541, § 1.

**Amendments.** The 2007 amendment, in (a), added the (1), (2) and (3) designations and substituted “technical insti-



tutes" for "area vocational schools"; in (b), deleted "In addition" preceding "River-side," substituted "Technical School may only construct non-dwelling unit" for "and

Technical School is exclusively authorized to construct other" and inserted "but not for the general public"; added (c); and made related changes.

### **6-51-502. Approval and notification requirements — Advance of funds.**

(a) When a state-supported technical institute or secondary area technical center offering courses of training in the building trades, including carpentry, plumbing, bricklaying, and electrical wiring, desires to participate in the program established in this subchapter, it shall first obtain the written approval of the local building trades advisory committee for the construction trades.

(b) Upon receipt of written approval, the technical institute or secondary area technical center shall notify the Department of Career Education of its intent to undertake the construction of a single family dwelling unit or other building project under the program established in this subchapter.

(c) Upon receipt of notice and subject to the availability of funds therefor, the department may advance funds:

(1) To the technical institute from the Building Trades Revolving Fund for the purchase of lots and building materials, supplies, and fixtures to be used in the construction of the dwelling unit or other building project; or

(2) To the secondary area technical center from the Building Trades Revolving Fund for the purchase of building materials, supplies, and fixtures to be used in the construction of the single family dwelling unit or other nonresidential building project.

**History.** Acts 1977, No. 678, § 2; A.S.A. 1947, § 80-2590.1; Acts 1997, No. 233, § 2; 2007, No. 541, § 2.

**Amendments.** The 2007 amendment, in (a), substituted "technical institute or secondary area technical center" for "area vocational school" and inserted "local";

substituted "technical institute or secondary area technical center" for "area vocational schools" in (b); substituted "may" for "shall" in (c); substituted "technical institute" for "area vocational school" in (c)(1); added (c)(2); and made related changes.

### **6-51-503. Procedure for purchase of lot.**

When a technical institute is advanced funds from the Building Trades Revolving Fund by the Department of Career Education as provided in this subchapter, the technical institute shall, if it proposes to purchase a lot on which to build the dwelling unit or other building project, cause notice of the proposed purchase to be published in a newspaper of general circulation in the area where it proposes to purchase the lot in order to give persons in the area an opportunity to offer lots for sale to the school for the construction of the dwelling unit or other building project.

**History.** Acts 1977, No. 678, § 3; A.S.A. 1947, § 80-2590.2; Acts 1997, No. 233, § 3; 2007, No. 541, § 3.

**Amendments.** The 2007 amendment deleted former (b); and substituted “a

technical institute” for “an area vocational school” and “technical institute” for “area vocational school”; and made related changes.

**6-51-504. Dwelling unit construction — Restrictions — Exemptions.**

(a) The Department of Career Education shall not advance funds to a technical institute from the revolving fund created in this subchapter for the construction of more than one (1) dwelling unit or other building project at any one (1) time or more than one (1) dwelling unit or other building project in any twelve-month period.

(b) Riverside Vocational and Technical School and secondary area technical centers are exempt from the provisions of this section.

**History.** Acts 1977, No. 678, § 4; A.S.A. 1947, § 80-2590.3; Acts 1997, No. 233, § 4; 2007, No. 541, § 4.

**Amendments.** The 2007 amendment rewrote the section heading; substituted

“a technical institute” for “an area vocational school” in (a); substituted “and secondary area technical centers are” for “shall be” and made a related change in (b).

**6-51-505. Applicability of state purchasing law and regulations.**

All building materials, supplies, and fixtures used in the construction of a dwelling unit or other building project as authorized in this subchapter shall be purchased by the school:

(1) If the school is a technical institute, in accordance with the state purchasing law and regulations; and

(2) If the school is a secondary area technical center, in accordance with the purchasing laws and regulations governing its administrative sponsor.

**History.** Acts 1977, No. 678, § 5; A.S.A. 1947, § 80-2590.4; Acts 1997, No. 233, § 5; 2007, No. 541, § 5.

**Amendments.** The 2007 amendment added (2); deleted “by a vocational school”

following “project” in the introductory paragraph; inserted “If the school is a technical institute” in (1); and made related changes.

**6-51-506. Conformance with municipal codes.**

Any dwelling unit or other building project constructed by a technical institute or a secondary area technical center pursuant to this subchapter shall conform to the local zoning and building code, if any, of the municipality or area in which constructed and is subject to all requirements, restrictions, and regulations of the locality in which located, the Department of Health, and other public agencies, the same as if constructed by a private builder.

**History.** Acts 1977, No. 678, § 6; A.S.A. 1947, § 80-2590.5; Acts 1997, No. 233, § 6; 2007, No. 541, § 6.

**Amendments.** The 2007 amendment rewrote the section heading; substituted “a technical institute or a secondary area



technical center” for “an area vocational school” and “is subject” for “shall be subject,” and inserted “and Human Services.”

### **6-51-507. Sale of dwelling unit.**

(a) Upon completion of a dwelling unit or other building project, the governing body of the technical institute or secondary area technical center shall cause the dwelling unit or building project to be appraised by a qualified real estate appraiser.

(b)(1) Upon receipt of the appraisal, the governing body of the technical institute or secondary area technical center shall cause notice to be published in one (1) or more newspapers of general circulation in the area that the dwelling unit or other building project will be sold by sealed bid to the highest bidder above the appraised value thereof.

(2)(A) The notice shall state the location of the dwelling unit or building project and the date, time, and place at which the sealed bids will be received.

(B) The date shall be at least two (2) weeks after the date of the publication of the notice.

(c) No dwelling unit or other building project shall be sold for an amount less than the appraised value of the property.

(d)(1) If no bid equals or exceeds the appraised value of the property, all bids shall be rejected, and the property shall again be advertised and offered for sale as provided in subsection (b) of this section within ninety (90) days after the first bid opening.

(2) This procedure of advertising for and receiving bids on the property shall be continued until the property is sold.

(e) The provisions of this section do not apply to any building project for a state agency, which shall reimburse the technical institute or secondary area technical center for the actual costs incurred in the completion of the project.

**History.** Acts 1977, No. 678, § 7; A.S.A. 1947, § 80-2590.6; Acts 1997, No. 233, § 7; 2007, No. 541, § 7.

**Amendments.** The 2007 amendment rewrote the section heading; substituted “governing body of the technical institute or secondary area technical center” for “officials of the area vocational school” in (a); in (b)(1), substituted “governing body of the technical institute or secondary area technical center” for “officials” and “by sealed bid” for “at public auction”; substituted “sealed bids will be received”

for “auction will be held” in (b)(2)(A); added the (d)(1) and (2) designations; in (d)(1), deleted “at the auction” preceding “equals” and substituted “as provided in subsection (b) of this section” for “at another auction to be held” and “bid opening” for “auction”; substituted “receiving bids” for “holding an auction” in (d)(2); in (e), substituted “do not apply” for “shall not be applicable” and “technical institute or secondary area technical center” for “area vocational school”; and made related changes.

### **6-51-508. Remittance of proceeds.**

(a) All funds derived from reimbursement by a state agency or from the sale of a dwelling unit or other building project constructed under the provisions of this subchapter by a technical institute after deduct-

ing the cost of the sale shall be remitted to the Department of Career Education for deposit in the Building Trades Revolving Fund created in this subchapter.

(b) Upon the sale of a dwelling unit or other building project constructed under the provisions of this subchapter by a secondary area technical center:

(1)(A) The secondary area technical center shall remit to the department the full amount of funds advanced for the project.

(B) The department shall deposit the funds into the Building Trades Revolving Fund created in this subchapter; and

(2) The remaining proceeds, if any, shall be retained or any loss absorbed by the secondary area technical center.

**History.** Acts 1977, No. 678, § 8; A.S.A. 1947, § 80-2590.7; Acts 1997, No. 233, § 8; 2007, No. 541, § 8.

rewrote the section heading; added (b); inserted “by a technical institute” in (a); and made related changes.

**Amendments.** The 2007 amendment

SUBCHAPTER 6 — PRIVATE RESIDENT AND CORRESPONDENCE SCHOOLS

SECTION.

- 6-51-602. Definitions.
- 6-51-603. Exemptions.
- 6-51-607. Private Career School Student Protection Trust Fund.
- 6-51-609. Admissions representative’s license — Generally.
- 6-51-614. Denial, probation, or revocation of school license — Review.

SECTION.

- 6-51-615. Denial or suspension of admissions representative’s license — Review — Penalty.
- 6-51-622. Noncommercial driver training instruction.

6-51-602. Definitions.

As used in this subchapter, unless the context otherwise requires:

- (1) “Admissions representative” means a person who executes an enrollment agreement and who receives compensation for the primary duties of encouraging prospective students to enroll for training in a program of study offered by a school covered under the provisions of this subchapter;
- (2) “Board” means the State Board of Private Career Education;
- (3) “Combination school” means any school in which programs of study are conducted by both distance education and resident training;
- (4) “Director” means the authorized representative of the State Board of Private Career Education for the purpose of administering the provisions of this subchapter;
- (5) “Distance education school” means any school in which all programs of study are conducted by distance education;
- (6) “Extension course site” means a location away from the school whereby a course or courses are conducted one (1) or more times during the licensure period;

(7) "Private Career Education Arbitration Panel" means the three-person panel established for the purpose of arbitrating student and school grievances;

(8) "Program of study" means an organized unit of courses or an individual course in which instruction is offered;

(9) "Resident school" means any school in which all programs of study are conducted in resident classrooms or held in public meeting facilities;

(10) "Satellite school" means a location within the State of Arkansas away from the school where programs of study are offered on a regular continuing basis by Arkansas schools;

(11)(A) "School" means any person, firm, partnership, association, corporation, or other form of business organization seeking to do business or offering in the State of Arkansas resident or correspondence training that leads to or enhances occupational qualifications, whether or not the institution is subject to the jurisdiction of the Arkansas Higher Education Coordinating Board under § 6-61-301;

(B) "School" also means any firm, partnership, association, corporation, or other form of business organization that offers instruction in airframe or power plant mechanics;

(C) "School" also means any firm, partnership, association, corporation, or other form of business organization which offers training as preparation for passing exams which may lead to employment;

(D) "School" also means any firm, partnership, association, corporation, or other form of business organization which offers driver education training excluding those courses taught motor vehicle violators pursuant to court order; and

(12) "Student", "enrollee", "trainee", or "pupil" means a person seeking to enroll, or who has been enrolled, or who is sought for enrollment, or is seeking training or instruction, in a school as defined in this subchapter.

**History.** Acts 1983, No. 770, § 2; A.S.A. 1947, § 80-4302; Acts 1989, No. 906, § 1; 1995, No. 1213, § 1; 2003, No. 1781, §§ 1, 2; 2009, No. 1478, § 1.

substituted "airframe or power plant" for "flight or ground school to student fliers or" in (11)(B), and made a minor stylistic change.

**Amendments.** The 2009 amendment

## 6-51-603. Exemptions.

The following are exempt from licensure under this subchapter:

(1) Private institutions exclusively offering instruction at any or all levels from preschool through twelfth grade;

(2) Schools established by laws of Arkansas, governed by Arkansas boards, and permitted to operate for the sole purpose of providing specific training normally required to qualify persons for occupational licensure by state boards or commissions, which determine education and other standards for licensure and operation of such schools;

(3) State colleges and universities coordinated by the Arkansas Higher Education Coordinating Board;



(4) Programs of study offered by institutions or individuals for personal improvement, avocational or recreational, if designated through media or other sources, as not for the purpose of enhancing an occupational objective;

(5) Schools operated solely to provide programs of study in theology, divinity, religious education, and ministerial training;

(6) A training program offered or sponsored by an employer for training and preparation of its own employees and for which no tuition fee is charged the employee;

(7) A program of study sponsored by a recognized trade, business, or professional organization for instruction of the members of the organization with a closed membership and for which no fee is charged the member;

(8) A school or educational institution supported by state or local government taxation;

(9) Flight instructors and flight instruction schools licensed under appropriate Federal Aviation Administration regulations and offering only training for a private pilot's license;

(10) Schools covered by § 6-61-301(a)(3) and exempted from § 6-61-101 et seq.;

(11) Training offered by other Arkansas state agencies, boards, or commissions; and

(12)(A) Training offered on military bases where a majority of the students enrolled are active duty personnel or their adult family members, United States Department of Defense civilian employees or their adult family members, members of the United States Armed Forces reserve components, and retirees.

(B) These organizations shall remain exempt from the requirement for licensure if required to move off the military installation for a period of not more than ninety (90) days because of a change in security level which would not allow civilian students on the installation.

(C) The board shall have the authority to review any situations that extend past the ninety-day period and determine whether the exemption status should remain for the school.

**History.** Acts 1983, No. 770, §§ 1, 2; A.S.A. 1947, §§ 80-4301, 80-4302; Acts 1989, No. 906, § 1; 1995, No. 1213, § 1; 2003, No. 1781, § 3; 2009, No. 1478, § 2.

**Amendments.** The 2009 amendment inserted "and flight instruction schools" in (9).

## **6-51-607. Private Career School Student Protection Trust Fund.**

(a)(1) Each school licensed under this subchapter shall pay annually a fee to be set by the State Board of Private Career Education.

(2) The fee shall be set at such amount as the board deems necessary to establish the Private Career School Student Protection Trust Fund and to maintain the Private Career School Student Protection Trust Fund as necessary.

(3) For a renewing school, the fee shall be based on the enrollment of Arkansas residents in the preceding twelve (12) months of July 1 through June 30.

(4)(A) For an original license, the fee shall be a percentage as determined by the board of the sum of the tuitions for each program offered.

(B) Additionally, during the first twelve (12) months of licensure, the same percentage shall be paid to the Private Career School Student Protection Trust Fund on additional new programs of study.

(b) The fee will be deposited in a trust fund in the State Treasury to be called the Private Career School Student Protection Trust Fund.

(c) The fee will not be levied if, on May 30 of any year, the balance of the Private Career School Student Protection Trust Fund exceeds five hundred thousand dollars (\$500,000). However, regardless of the balance in the Private Career School Student Protection Trust Fund, a fee, as set by the board, will be assessed newly licensed schools. Newly licensed schools will pay for a number of years equal to the number of years paid by schools licensed on September 1, 1989.

(d) The assets of the Private Career School Student Protection Trust Fund may be invested and reinvested as the board may determine. Any interest income or dividends from the investment of the fund shall be credited to the Private Career School Student Protection Trust Fund.

(e) With the approval of the board, the Director of the State Board of Private Career Education may use any amounts in the Private Career School Student Protection Trust Fund, including accumulated interest, to:

(1) Pay claims filed by students not to exceed a total of one hundred thousand dollars (\$100,000) for all students of the school when a school becomes insolvent or ceases to operate without offering a complete program of study;

(2) Pay expenses incurred by a school not to exceed a total of one hundred thousand dollars (\$100,000) that are directly related to educating a student placed in the school under this subchapter, including the applicable tuition for the period of time for which the student has paid tuition;

(3) Pay expenses directly associated with the storage and maintenance of academic and financial aid records of those students adversely affected by school closings;

(4)(A) Pay administrative cost due to school closings, including without limitation:

(i) Travel expenses; and

(ii) The employment of temporary personnel to assist with transport and organization of student records.

(B) Provided further, that reimbursement for the expenses incurred in subdivision (e)(4)(A) of this section shall not exceed five thousand dollars (\$5,000) per school closing.

(f) Any amounts in the fund above the required five hundred thousand dollars (\$500,000) may be used with the approval of the board to:



(1) Fund educational seminars and other forms of educational projects for the use and benefit of licensed school administrators, faculty, staff, or admissions representatives;

(2) Provide for travel expenses and registration fees to send staff or board members to accrediting meetings, seminars, or meetings relating to the school sector; or

(3) Provide staff assistance.

(g)(1) If a school closes, the director shall attempt to place each student of the school in another school.

(2) If the student cannot be placed in another school, the student's tuition for which education has not been received may be refunded on a pro rata basis in the manner prescribed by the board.

(3) If another school assumes responsibility for the closed school's students with no significant changes in the quality of training, a student is not entitled to a refund under this section.

(4) Attorneys' fees, court costs, or damages may not be paid from the Private Career School Student Protection Trust Fund.

**History.** Acts 1989, No. 906, § 1; 1995, No. 367, § 1; 1995, No. 1213, § 1; 2003, No. 1781, §§ 9, 10; 2009, No. 1478, § 3.

in (e), substituted "Pay" for "Reimburse the Private Career Education Fund for" in (e)(3) and (e)(4)(A), and made a minor stylistic change.

**Amendments.** The 2009 amendment,

### **6-51-609. Admissions representative's license — Generally.**

(a)(1) No person representing a resident, distance education, or combination school shall solicit or sell in Arkansas any program of study for consideration or remuneration unless the admissions representative first secures a license from the Director of the State Board of Private Career Education.

(2) A license issued by the director shall be subject to ratification by the State Board of Private Career Education.

(b)(1) The license shall be on a form of such size as to be displayed for examination by each prospective student contacted by the admissions representative for enrollment or recruitment purposes.

(2) The license shall bear a recent photograph of the admissions representative, the admissions representative's name, the name and address of the licensed school to be represented, and the valid period of the admissions representative's license which will indicate the expiration date.

(c)(1) An admissions representative's license shall be automatically cancelled when the license of the school represented by the admissions representative is suspended or revoked for any reason, or the school closes.

(2) The license shall be endorsed by the chair of the board. The license shall remain the property of the State of Arkansas and shall be returned to the director upon cause.

(d) An applicant for an admissions representative's license must:

(1) Be at least eighteen (18) years of age;

(2) Be a high school graduate or hold a graduate equivalent degree;

(3) Not have been convicted in any jurisdiction of a felony, theft of property, or a crime involving an act of violence for which a pardon has not been granted;

(4) Be a citizen of the United States;

(5) Not have been discharged from the armed services of the United States under other than honorable conditions; and

(6) Be in compliance with any other reasonable qualifications that the board may fix by rule.

(e)(1) An applicant for an admissions representative's license shall apply to the Identification Bureau of the Department of Arkansas State Police for a state and national criminal background check to be conducted by the Federal Bureau of Investigation.

(2) The check shall conform to the applicable federal standards and shall include the taking of fingerprints.

(3) The applicant shall sign a release of information to the board and shall be responsible to the Department of Arkansas State Police for the payment of any fee associated with the criminal background check.

(4) Upon completion of the criminal background check, the Identification Bureau of the Department of Arkansas State Police shall forward all information obtained concerning the person in the commission of any felony, Class A misdemeanor, or a crime involving an act of violence for which a pardon has not been granted.

(f)(1)(A) The board may issue a nonrenewable temporary license pending the results of the criminal background check.

(B) The temporary license shall be valid for no more than six (6) months.

(2) Upon receipt of information from the Identification Bureau of the Department of Arkansas State Police that the person holding the temporary license has been convicted of a felony, Class A misdemeanor, or a crime involving an act of violence for which a pardon has not been granted, the board shall immediately revoke the temporary license.

(g)(1) The provisions of subdivision (d)(3) of this section may be waived by the board upon the request of:

(A) An affected applicant for licensure; or

(B) The person holding a license subject to revocation.

(2) Circumstances for which a waiver may be granted shall include, but not be limited to, the following:

(A) The age at which the crime was committed;

(B) The circumstances surrounding the crime;

(C) The length of time since the crime;

(D) Subsequent work history;

(E) Employment references;

(F) Character references; and

(G) Other evidence demonstrating that the applicant does not pose a threat.

(h)(1) Any information received by the board from the Identification Bureau of the Department of Arkansas State Police pursuant to this section shall not be available for examination except by:

(A) The affected applicant for licensure or his or her authorized representative; or

(B) The person whose license is subject to revocation or his or her authorized representative.

(2) No record, file, or document shall be removed from the custody of the Department of Arkansas State Police.

(i) Any information made available to the affected applicant for licensure or the person whose license is subject to revocation shall be information pertaining to that person only.

(j) Rights of privilege and confidentiality established in this section shall not extend to any document created for purposes other than the background check required by this section.

(k) The board shall adopt the necessary rules and regulations to fully implement the provisions of this section.

**History.** Acts 1983, No. 770, § 6; A.S.A. 1947, § 80-4306; Acts 1989, No. 906, § 1; 1995, No. 1213, § 1; 2003, No. 1781, §§ 11-13; 2009, No. 1478, § 4. **Amendments.** The 2009 amendment substituted “theft of property” for “Class A misdemeanor” in (d)(3).

#### **6-51-614. Denial, probation, or revocation of school license — Review.**

(a) The State Board of Private Career Education, acting by and through the director, shall have the authority to refuse to issue a school license, to place on probation, or to revoke a school license theretofore issued.

(b) Any school dissatisfied with the decision to refuse to license, to revoke, or to suspend a license may seek judicial review, provided the school files notice of appeal in Pulaski County Circuit Court within fifteen (15) calendar days immediately following the date of notification of this action by the director.

**History.** Acts 1983, No. 770, § 7; A.S.A. 1947, § 80-4307; Acts 1989, No. 906, § 1; 1995, No. 1213, § 1; 2005, No. 1962, § 15.

#### **6-51-615. Denial or suspension of admissions representative’s license — Review — Penalty.**

(a) No person shall be granted an admissions representative’s license if, upon investigation, the applicant is found not to meet the requirements for an admissions representative under this subchapter.

(b) The Director of the State Board of Private Career Education, upon receipt of information considered dependable which indicates fraud, misrepresentation, or unethical practices on the part of an applicant, may deny issuance of a license applied for or may suspend immediately a license already issued pending a review by the State Board of Private Career Education.

(c) Any applicant dissatisfied with the decision to refuse, suspend, or revoke a license may seek judicial review, provided the applicant files



notice of appeal in Pulaski County Circuit Court within fifteen (15) calendar days immediately following the date of notification of action by the director.

(d) Any person violating the provisions of this subchapter shall be guilty of a Class B misdemeanor.

**History.** Acts 1983, No. 770, §§ 11, 12; 1989, No. 906, § 1; 1995, No. 1213, § 1; A.S.A. 1947, §§ 80-4311, 80-4312; Acts 2005, No. 1994, § 235.

### **6-51-622. Noncommercial driver training instruction.**

(a) A person teaching or instructing a person seventeen (17) years of age or younger to drive a noncommercial motor vehicle or a motorcycle shall offer the minimum amount of driver training to the student driver as prescribed by this section.

(b) The minimum requirements for classroom driver training instruction for noncommercial motor vehicles shall consist of:

(1) Thirty (30) hours or more of classroom instruction on driving techniques and rules of the road in Arkansas, including six (6) hours of classroom instruction on traffic law changes that have occurred within the last ten (10) years; and

(2) Ten (10) hours of behind-the-wheel driving experience.

(c) The minimum requirements of correspondence programs for driver training instruction for noncommercial motor vehicles shall consist of:

(1) A maximum of twenty-eight (28) hours of correspondence work;

(2) A minimum of two (2) hours or more of classroom instruction on driving techniques and rules of the road in Arkansas; and

(3) Ten (10) hours of behind-the-wheel driving experience.

(d)(1) The State Board of Private Career Education may promulgate reasonable rules and regulations to implement, enforce, and administer this section.

(2) The board's regulations shall be issued in accordance with the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(e) The requirements for classroom driver training instruction for a motorcycle are:

(1) A minimum of five (5) hours of classroom instruction on driving techniques and rules of the road in Arkansas; and

(2) A minimum of ten (10) hours of actual motorcycle driving experience.

**History.** Acts 2001, No. 1756, § 1; **Amendments.** The 2009 amendment 2009, No. 1478, §§ 5, 6. rewrote (a); and added (e).

## **SUBCHAPTER 8 — COMMUNITY-BASED EDUCATION CENTERS**

### **SECTION.**

6-51-805. Creation of general advisory council.

**6-51-805. Creation of general advisory council.**

The State Board of Career Education shall relate to the community-based education centers as a coordinating board. Furthermore, the governing board of a community-based education center is encouraged to create a general advisory council. Such general advisory council shall provide advice on programs of the school, including data that reflects the needs of business and industry served by the community-based education center.

**History.** Acts 1991, No. 228, § 4; 2007, No. 827, § 118. inserted “general advisory” in the last sentence, and deleted former (b) and made

**Amendments.** The 2007 amendment related changes.

**CHAPTER 52****VOCATIONAL AND TECHNICAL TRAINING****SUBCHAPTER.****2. APPRENTICESHIP TRAINING PROGRAMS.****SUBCHAPTER 2 — APPRENTICESHIP TRAINING PROGRAMS****SECTION.**

**6-52-207.** Training programs generally.

**6-52-207. Training programs generally.**

(a) Pursuant to the provisions of this subchapter, the Director of the Department of Career Education shall allocate state funds for the support of apprenticeship training programs that meet the criteria set forth in this subchapter.

(b) A program must be co-sponsored by a public school district, an education service cooperative, a state postsecondary institution, a vo-tech school, or a two-year community college pursuant to a contract between the district or institution and an apprenticeship program sponsor.

(c) A program must be under the direction of an apprenticeship coordinator appointed by the apprenticeship program sponsor who shall perform the duties set forth in § 6-52-208.

(d) Each apprentice participating in a program must be given a written apprenticeship agreement by the apprenticeship program sponsor stating the standards and conditions of his or her employment and training. The apprenticeship agreements are furnished by the Bureau of Apprenticeship and Training of the United States Department of Labor.

(e) An apprentice may not be charged tuition or fees by a public school district or state postsecondary institution other than an administrative fee to cover the costs of processing his or her records which shall not exceed twenty-five dollars (\$25.00) for each course in which



the apprentice is enrolled. The apprentice or the program sponsor may be required to furnish books and special equipment.

(f) Funding for a program, in addition to any other money available, shall be provided by the apprenticeship program sponsor pursuant to the terms of the contract referred to in subsection (b) of this section. The program sponsor may charge an apprentice or the employer of the apprentice tuition and fees to cover administrative costs incurred while the apprentice is registered with the program sponsor.

(g) Pursuant to the terms of the contract referred to in subsection (b) of this section, adequate facilities, personnel, and resources to effectively administer the apprenticeship training program in a manner consistent with the public’s need for skilled workers and the apprentice’s need for marketable skills in apprenticeable occupations must be provided.

(h) A program must be registered with the bureau and the Department of Career Education.

**History.** Acts 1989, No. 684, § 2; 2007, No. 617, § 35.

**Amendments.** The 2007 amendment

substituted “education service cooperative” for “educational cooperative” in (b).

CHAPTER 53

POSTSECONDARY EDUCATION REORGANIZATION ACT

- SUBCHAPTER.
- 3. ADMINISTRATION.
  - 6. TECHNICAL COLLEGE DISTRICTS.

SUBCHAPTER 3 — ADMINISTRATION

- SECTION.

6-53-302. Local administration — Technical colleges.
- SECTION.

6-53-307. County support of technical colleges.

**Effective Dates.** Acts 2009, No. 82, § 2: Feb. 9, 2009. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that current Arkansas law unfairly limits the possible candidates for appointments to the local boards of trustees of technical colleges and that the law should be revised as soon as possible to increase the pool of candidates for these positions. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) the date of its approval by

the Governor; (2) If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill; (3) If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto.”

Acts 2009, No. 1480, § 117: Apr. 10, 2009. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that this act makes various revisions to Arkansas election laws that are designed to improve the administration of elections and special

elections and that these revisions should be implemented as soon as possible so that the citizens of this state may benefit from improved election procedures. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) the date of its approval by the

Governor; (2) If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill; (3) If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto."

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### **6-53-302. Local administration — Technical colleges.**

(a) Each technical college established or operated under this chapter shall be governed by a local board of trustees consisting of seven (7) members who shall be appointed by the Governor and subject to the confirmation of the Senate.

(b) The term of office of local board members shall be seven (7) years.

(c) Members of the local board shall be qualified electors of the service area of the technical college and knowledgeable in business, labor, industry, or economic development.

(d)(1) A person shall not serve as a member of the local board if the person is:

- (A) A candidate for public office;
- (B) A holder of public office in the state;
- (C) A certified or noncertified employee of a public school district;
- (D) A classified or nonclassified employee of:
  - (i) A community college;
  - (ii) A vocational school;
  - (iii) A technical school; or
  - (iv) An institution of higher education; or
- (E) A member of a board of trustees of a:
  - (i) School district;
  - (ii) Community college; or
  - (iii) Institution of higher education.

(2) A person shall not serve as a member of the local board if the person's spouse is:

- (A) A candidate for public office;
- (B) A holder of public office in the state;
- (C) A classified or nonclassified employee of the technical college for which the person would serve as a member of the local board; or
- (D) A member of the board of trustees of the technical college for which the person would serve as a member of the local board.

(e) When a vacancy occurs in the membership of the local board, the president of the technical college shall so notify the Governor, who shall appoint a successor to the person who vacated membership, who will serve the unexpired term of the person succeeded.

(f) The powers and duties of the local board shall be as follows:

(1) To acquire, hold, and transfer real and personal property, to enter into contracts, to institute and defend legal actions and suits, and to

exercise such other rights and privileges as may be necessary for the management and administration of the technical college;

(2) To appoint the president of the technical college;

(3) To appoint, upon nomination of the president, members of the administrative and teaching staffs;

(4) To determine, with the approval of the Arkansas Higher Education Coordinating Board, the educational program of the technical college; and

(5) Other powers and duties as provided in this chapter and as delegated to it by the state board.

(g) The local board shall select a chair and such other officers as are necessary for the performance of its duties.

(h) The local board may make rules and regulations not inconsistent with the provisions of this chapter or inconsistent with the rules and regulations of the state board as are necessary for the proper administration and operation of the technical college.

(i) The local board may contract with the Department of Career Education, with a nonprofit organization, or with a local school board within its service area to offer secondary level general academic and vocational and technical courses and programs or adult literacy courses or both.

(j)(1) The local board of a technical college may contract with a municipality for:

(A) The transfer of real property, including any buildings or structures thereon from the college to the municipality;

(B) Any or all of the following:

(i) The construction, repair, and renovation of buildings or structures;

(ii) The construction of additions to buildings or structures; and

(iii) The provision of equipment, apparatus, library materials, and fixtures for the buildings or structures by the municipality; and

(C) The long-term lease of at least fifty (50) years of the buildings or structures by the municipality to the college for nominal monetary and other valuable consideration. The leased building or structure shall be utilized by the college for educational and technical educational purposes.

(2) The college may expend funds under the Arkansas Existing Workforce Training Act of 1995, § 6-50-701 et seq., and the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq., and the college and the municipality may expend any other funds available pursuant to applicable law for the purposes set out in this subdivision (j) and for the operation of the facility or structure if the college receives a long-term lease of at least fifty (50) years.

(3) If, pursuant to subdivision (j)(1) of this section, the college receives a long-term lease of at least fifty (50) years, the college and the municipality are authorized to jointly do any or all of the following:

(A) Construct, repair, and renovate buildings or structures;

(B) Construct additions to buildings or structures; and



(C) Provide equipment, apparatus, library materials, and fixtures for the buildings or structures.

**History.** Acts 1991, No. 1244, § 17; 1995, No. 854, § 1; 1997, No. 481, § 1; 2009, No. 82, § 1. **Amendments.** The 2009 amendment rewrote (d).

### 6-53-307. County support of technical colleges.

(a)(1) Any county quorum court may designate all or any portion of any undedicated county sales or use tax to be used for capital improvements to or the maintenance and operation of any technical college, two-year college, community college, or satellite campus of a community college.

(2)(A) In the alternative, the quorum court may refer to a vote of the people at any general or special election the issue of dedicating all or a portion of any undedicated county sales or use tax to any technical college, community college, two-year college, or satellite campus of a community college to be used for capital improvements to or the maintenance and operation of the technical college, community college, two-year college, or satellite campus of a community college.

(B) If the voters dedicate all or a portion of the tax, it shall remain so dedicated until the voters decide otherwise.

(b) When the quorum court calls an election on the issue of the levy of any county sales or use tax, it may also cause to be placed on the ballot the issue of dedicating all or a portion of the tax for capital improvements to or the maintenance and operation of any technical college, community college, two-year college, or satellite campus of a community college.

(c) If a technical college, community college, two-year college, or satellite campus of a community college for which a tax is dedicated or levied under this section thereafter becomes a branch of an existing institution of higher education, the tax dedicated or levied under this section shall continue to be dedicated and levied for the use and benefit of the branch unless reduced or repealed as authorized under this section.

(d) A county sales or use tax dedicated or levied under this section may also be dedicated or levied in part for capital improvements to or the maintenance and operation of any public institution of higher education located in the county.

(e) Any election called by the quorum court pursuant to this section shall be called pursuant to the proclamation issued by the quorum court and held in accordance with § 7-11-201 et seq.

**History.** Acts 1993, No. 867, §§ 1-4; 1995, No. 576, § 2; 1997, No. 918, § 1; 1999, No. 818, § 1; 2005, No. 2145, § 6; 2007, No. 1049, § 8; 2009, No. 1480, § 6. **Amendments.** The 2007 amendment rewrote (e). The 2009 amendment substituted “§ 7-11-201 et seq.” for “§ 7-5-103(b)” in (e).

## SUBCHAPTER 6 — TECHNICAL COLLEGE DISTRICTS

### SECTION.

6-53-602. Formation of a proposed district.

**Effective Dates.** Acts 2009, No. 1480, § 117: Apr. 10, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that this act makes various revisions to Arkansas election laws that are designed to improve the administration of elections and special elections and that these revisions should be implemented as soon as possible so that the citizens of this state may benefit from improved election procedures. Therefore, an emergency is

declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

### 6-53-602. Formation of a proposed district.

(a)(1) Upon request of the local board of a technical college or the Arkansas Higher Education Coordinating Board acting as a local board of a technical college, the coordinating board shall determine whether formation of a proposed technical college district is feasible according to criteria established by the coordinating board for the formation of a technical college district.

(2) The boundaries of the technical college district are to be determined by the local board or the coordinating board acting as the local board.

(b)(1) Within ten (10) calendar days after the coordinating board determines that the formation of a proposed district is feasible, the local board or the coordinating board acting as the local board shall notify the county board of election commissioners in each county of which any portion is in the proposed technical college district that an election will be held to determine whether the district shall be formed and whether an ad valorem tax shall be levied on property in the district to fund site acquisition, construction, equipping, and operation of the college.

(2) The local board or acting local board shall issue a proclamation and set a date for the election under § 7-11-201 et seq., but the date set for the election shall not be later than ninety (90) days after the publication of the proclamation.

(3) The local board or acting local board shall specify the wording of the ballot to be used for the election utilizing appropriate language similar to that found in § 6-61-513(c), and the county boards of election commissioners shall conduct the election in the manner provided by law for special elections.

(c)(1) Except as provided in subdivision (c)(2) of this section, if the establishment of a proposed technical college district fails because of an adverse vote by a majority of the qualified electors of the proposed district voting thereon at the election, no new election for the establishment thereof shall be held within a period of one (1) year after the date of the election.

(2)(A) If the formation of a proposed technical college district fails and the majority of votes cast in one (1) or more counties or cities in a proposed district were against the formation of the district, the local board or acting local board may notify the county boards of election commissioners that an election will be held on the issue of forming a proposed district that does not include the county, city, counties, or cities in which the issue failed.

(B) The local board or acting local board shall issue a proclamation and set a date for the election in accordance with § 7-11-201 et seq.

(C) The procedures for an election to form a proposed reconstituted district shall be identical to the procedures for an election to establish a technical college district.

(d)(1) If the local board or acting local board of a technical college determines that the question of a tax levy in the technical college district should be submitted to the electors after the district is formed, it shall certify the millage requested to the county board of election commissioners of each county of which any portion is in the technical college district.

(2) The county boards shall place the question of the levy on the ballot at the next general election if the date of the general election is not less than sixty (60) calendar days after the county boards receive certification from the local board or acting local board.

(3) In the alternative, the local board or acting local board may set a date for a special election in accordance with § 7-11-201 et seq.

(4) The special election shall be conducted in the manner provided by law for other special elections.

**History.** Acts 1993, No. 945, § 1; 1997, No. 1114, § 12; 2005, No. 2145, § 7; 2007, No. 1049, § 9; 2009, No. 376, § 54; 2009, No. 1480, §§ 7-9.

**Amendments.** The 2007 amendment rewrote (b)(2), (c)(2)(B), and (d)(3); and substituted "sixty (60)" for "thirty (30)" in (d)(2).

The 2009 amendment by No. 376, in (b)(2), substituted "under § 7-5-103(b), but the date set for the election shall not be" for "in accordance with § 7-5-103(b) but in no event."

The 2009 amendment by No. 1480 substituted "§ 7-11-201 et seq." for "§ 7-5-103(b)" in (b)(2), (c)(2)(B), and (d)(3).

## CHAPTER 54

### COLLEGE OF THE OUACHITAS

#### SECTION.

6-54-101. Creation.

6-54-103. Rights and privileges.



6-54-101. Creation.

- (a) The Arkansas Higher Education Coordinating Board shall designate the College of The Ouachitas, Malvern, as a technical college which shall become part of the Arkansas Technical and Community College System under the coordination of the board.
- (b) This institution shall not have any authority to request the board's approval for associate degree programs before July 1, 1993.
- (c) This institution may expand to offer courses of instruction in technical, vocational, and adult education programs and college transfer programs and may, upon a vote of the electorate, create a community college district and, if necessary, impose a millage to convert to a community college.

**History.** Acts 1991, No. 617, § 1; 2011, No. 208, § 1. substituted "the College of The Ouachitas" for "Ouachita Technical College" in (a).

**Amendments.** The 2011 amendment

6-54-103. Rights and privileges.

- (a) The technical college established herein shall be subject to the same restrictions and enjoy the same privileges as any other technical college created under the chapter establishing the Arkansas Technical and Community College System.
- (b) The President of the College of The Ouachitas and all other personnel employed by the school shall enjoy the same rights and privileges as personnel employed by state-supported postsecondary vocational-technical schools transferred to the Arkansas Technical and Community College System under the act establishing such system.

**History.** Acts 1991, No. 617, § 2; 2011, No. 208, § 2. substituted "The President of the College of The Ouachitas" for "The Director of Ouachita Technical College" in (b).

**Amendments.** The 2011 amendment

CHAPTER 57

ARKANSAS VALLEY TECHNICAL INSTITUTE

SECTION.	SECTION.
6-57-101. Name change and merger.	6-57-104. Work Force 2000 funding.
6-57-103. Employee benefits.	

**Effective Dates.** Acts 2007, No. 260, § 5: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that this bill calls for the renaming of Arkansas Valley Technical Institute of Arkansas Tech University to Arkansas Tech University - Ozark Campus and the ideal time for changing the name of the institute is at the beginning of the state's fiscal year. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2007."

**6-57-101. Name change and merger.**

(a) Effective July 1, 2003, Arkansas Valley Technical Institute is merged with and into Arkansas Tech University and shall be governed by the Board of Trustees of Arkansas Tech University.

(b) Effective July 1, 2003, all powers, duties, responsibility, control, and supervisory authority heretofore vested in the Board of Directors of Arkansas Valley Technical Institute are transferred to the Board of Trustees of Arkansas Tech University, and upon transfer of the assets, books of accounts, and files of the Board of Directors of Arkansas Valley Technical Institute to the Board of Trustees of Arkansas Tech University, the Board of Directors of Arkansas Valley Technical Institute shall be divested of all obligations and duties.

(c) Effective July 1, 2003, the Arkansas Valley Technical Institute campus shall be known as Arkansas Valley Technical Institute of Arkansas Tech University.

(d) Effective July 1, 2007, the Arkansas Valley Technical Institute of Arkansas Tech University shall be known as Arkansas Tech University — Ozark Campus.

**History.** Acts 2003, No. 452, § 1; 2007, No. 260, § 1.

**Amendments.** The 2007 amendment added (d).

**6-57-103. Employee benefits.**

(a)(1) Employees of Arkansas Tech University — Ozark Campus as of June 30, 2003, who are eligible for payment of accrued sick leave upon retirement or death under § 21-4-501 shall retain that benefit.

(2) This benefit shall be paid upon the employee's retirement or death from the funds restricted to expenditures in support of Arkansas Tech University — Ozark Campus.

(3) Individuals employed after June 30, 2003, shall not be entitled to receive compensation under § 21-4-501.

(b)(1) Employees of Arkansas Tech University — Ozark Campus as of June 30, 2003, who are enrolled in the alternative retirement plan and are receiving a twelve percent (12%) retirement match shall retain the benefit.

(2) Individuals employed after June 30, 2003, shall not be entitled to enroll in the alternative retirement program.

**History.** Acts 2003, No. 452, § 3; 2007, No. 260, § 2.

**Amendments.** The 2007 amendment substituted "Arkansas Tech University —

Ozark Campus" for "Arkansas Valley Technical Institute" or similar language in three places.

**6-57-104. Work Force 2000 funding.**

Funding from the Work Force 2000 Development Fund shall be provided to Arkansas Tech University to fund workforce development, vocational, occupational, and training programs offered by Arkansas Tech University — Ozark Campus.

**History.** Acts 2003, No. 452, § 5[4]; Ozark Campus” for “Arkansas Valley 2007, No. 260, § 3. Technical Institute of Arkansas Tech University.”

**Amendments.** The 2007 amendment substituted “Arkansas Tech University —

## CHAPTER 58

### NATIONAL PARK COMMUNITY COLLEGE

#### SECTION.

6-58-113. Employee health insurance plan.

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**Effective Dates.** Acts 2005, No. 908, § 2: July 1, 2005. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that the cost of health care insurance is increasing annually; that the Board of Trustees of National Park Community College is desirous of containing employee and employer health insurance premiums; that by having the ability to offer

more than one (1) health insurance plan to employees, the board will be able to more efficiently utilize college resources; and that this act is immediately necessary in order to enable the board to implement the health insurance plans. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2005.”

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#### 6-58-113. Employee health insurance plan.

(a) The Board of Trustees of National Park Community College may determine each year whether to offer employees of National Park Community College more than one (1) health insurance plan from which to choose.

(b) If more than one (1) health insurance plan is authorized by the Board of Trustees of National Park Community College, a permanent employee of the college may annually elect to enroll in:

(1) The National Park Community College Health Insurance Plan, if a plan is adopted by the Board of Trustees of National Park Community College; or

(2) The health insurance plan adopted by the State and Public School Life and Health Insurance Board for state employees, if the Board of Trustees of National Park Community College authorizes college employees to participate in the plan subject to the conditions and rates established by the State and Public School Life and Health Insurance Board.

(c) The election under subsection (b) of this section must be made:

(1) At the time of initial employment by the college; or

(2) During the applicable annual open enrollment period for the health insurance plan.



(d) An election under subsection (b) of this section is effective for the health insurance plan year and may not be altered until the following annual open enrollment period for the health insurance plan.

**History.** Acts 2005, No. 908, § 1.

## ***SUBTITLE 5. POSTSECONDARY AND HIGHER EDUCATION GENERALLY***

### **CHAPTER 60 GENERAL PROVISIONS**

#### **SUBCHAPTER**

1. GENERAL PROVISIONS.
2. ENROLLMENT AND TUITION.
6. TEXTBOOKS AND COURSE MATERIALS.
7. COMPREHENSIVE ARKANSAS HIGHER EDUCATION ANNUAL REPORT ACT.
8. THE CLEAN AIR ON CAMPUS ACT OF 2009.
9. ARKANSAS HIGHER EDUCATION INFORMATION SYSTEM.

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 17, provided: “REALLOCATION OF RESOURCES FOR INSTITUTIONS OF HIGHER EDUCATION. Upon determination by the president or chancellor of an institution of higher education that a reallocation of resources for purposes of reorganization or consolidation of administrative functions within the institution is necessary for efficient and effective operations of the institution, the president or chancellor, with approval of the institution’s board of trustees, may have the authority to transfer positions, appropriations and related funds between campuses, divisions, branches, and other budgetary units of the institution, after receiving prior approval of the Legislative Council or Joint Budget Committee. The transfers of positions, programs, or activities shall be used for those purposes for which the appropriations were approved by the General Assembly. The transfers, consolidations, or reorganizations which involve academic programs shall be reviewed by the Department of Higher Education prior to submission to the Legislative Council or Joint Budget Committee. Provided, however, that the institution shall be limited to submitting no more than two (2) individual transaction transfer requests during any fiscal year and shall be further limited to no more than

five percent (5%) of the total General Revenue and Special Revenue appropriation, funding, positions specific to each institution, and no Tobacco Settlement funds or appropriations may be reallocated pursuant to this section. Determining the maximum number of employees and the maximum amount of appropriation and general revenue funding for institutions of higher education each fiscal year is the prerogative of the General Assembly. This is usually accomplished by delineating such maximums in the appropriation act(s) for institutions of higher education and the general revenue allocations authorized for each fund and fund account by amendment to the Revenue Stabilization law. Further, the General Assembly has determined that institutions of higher education may operate more efficiently if some flexibility is provided to institutions of higher education authorizing broad powers under this Section. Therefore, it is both necessary and appropriate that the General Assembly maintain oversight by requiring prior approval of the Legislative Council or Joint Budget Committee as provided by this section. The requirement of approval by the Legislative Council or Joint Budget Committee is not a severable part of this section. If the requirement of approval by the Legislative Council or Joint Budget

Committee is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

Acts 2011, No. 1065, § 34, provided: “STUDENT UNDERGRADUATE RESEARCH FELLOWSHIP (SURF) PROGRAM. The focus of the Student Undergraduate Research Fellowship (SURF) Program is the continued development of undergraduate academic research efforts at Arkansas colleges and universities. The Arkansas Department of Higher Education shall adopt rules and regulations necessary for the proper administration of the Student Undergraduate Research Fel-

lowship Program. Administrative functions and responsibilities may include, but not necessarily be limited to, the development of eligibility criteria, collection of applications, coordination of student evaluations, distribution of public notices, and funding of grants for academic research purposes. Staff of the Arkansas Department of Higher Education shall administer this program. The Arkansas Department of Higher Education shall be authorized to expense costs associated with the administration of the program, from funds made payable from the Higher Education Grants Fund Account for the Student Undergraduate Research Fellowship Program as authorized in Section 4 of this Act.”

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## SUBCHAPTER 1 — GENERAL PROVISIONS

### SECTION.

6-60-103. Arkansas Safe Campus Task Force.

### 6-60-103. Arkansas Safe Campus Task Force.

(a) There is hereby created a task force to be known as the “Arkansas Safe Campus Task Force”.

(b) The task force shall consist of eight (8) members including:

(1) The Director of the Department of Higher Education or his or her designee;

(2) The Director of the Department of Arkansas State Police or his or her designee;

(3) The Director of the Arkansas Department of Emergency Management or his or her designee;

(4) One (1) member appointed by the Governor who is trained in treating persons affected mentally and emotionally by acts of violence;

(5) Two (2) members appointed by the Presidents Council who are university presidents or chancellors or their designees; and

(6) Two (2) members appointed by the Presidents Council who are two-year college presidents or their designees.

(c) If a vacancy occurs for any reason, the vacancy shall be filled in the same manner as the original appointment.

(d) The Director of the Department of Higher Education shall organize the first meeting of the task force and serve as chair at the first meeting.

(e)(1) By September 1, 2009, the task force shall conduct its first meeting and elect a chair from among its membership.

(2) After its first meeting, the task force shall meet upon the call of the chair but shall meet no less than quarterly.

(3) The task force shall cease to exist after making its report under subsection (h) of this section but not later than December 31, 2010.

(f)(1) A quorum is required for any action by the task force.

(2) Five (5) members shall constitute a quorum for the purpose of transacting the business of the task force.

(g) The task force shall:

(1) Review the current campus safety and security practices of state-supported two-year and four-year institutions of higher education in this state and of private institutions of higher education that elect to participate in a review; and

(2) Develop guidelines and recommendations for best practices for developing an interdisciplinary and multijurisdictional campus violence prevention, response, and recovery plan that include:

(A) Effective methods of coordinating communications among and with:

(i) Institutions of higher education and their administrators, faculty, staff, students, and parents;

(ii) State and local officials;

(iii) Mental health providers; and

(iv) First responders;

(B) A campus violence prevention committee;

(C) A campus threat assessment team;

(D) A mental health response and recovery plan; and

(E) An analysis of the types of available training resources related to campus security issues from which personnel at institutions of higher education may benefit.

(h) By September 1, 2010, the task force shall provide a report to the Governor, the House Committee on Education, and the Senate Committee on Education on its review under subsection (g)(1) of this section and its recommendations under subdivision (g)(2) of this section.

(i)(1) The Department of Higher Education shall provide staff support and assistance to the task force.

(2) As funds are appropriated and available, the Department of Higher Education may reimburse a member of the task force for mileage for attending meetings of the task force at the rate established by the Department of Finance and Administration.

**History.** Acts 2009, No. 1400, § 2.

**A.C.R.C. Notes.** Acts 2009, No. 1400, § 1, provided: "The General Assembly finds that:

"(1) Due to recent acts of violence on campuses of institutions of higher education across the nation and in Arkansas, taking the proper course of action to ensure the safety and security of students, faculty, and staff on campuses of institutions of higher education in Arkansas is essential to the health and safety of students, faculty, and staff; and

"(2) The creation of a multidisciplinary advisory task force composed of leaders in education, mental health, and law enforcement will:

"(A) Provide support for designing effective campus security policies and proactive measures that prevent further acts of violence on campuses of institutions of higher education in Arkansas; and

"(B) Help ensure an effective response and recovery system when those acts of violence occur."

Acts 2009, No. 1400, § 3, provided: "By



September 1, 2009, all state-supported two-year and four-year institutions of higher education shall provide to the Arkansas Safe Campus Task Force for its review under this act a copy of the institution's plan dealing with campus security, violence prevention, emergency response."

SUBCHAPTER 2 — ENROLLMENT AND TUITION

SECTION.	SECTION.
6-60-208. Requirements.	6-60-212. Admissions — Applicants from medically underserved areas.
6-60-211. Tuition waiver for Arkansas National Guard soldiers and airmen — Tuition assistance for soldiers.	6-60-213. Reduced tuition for certain police officers.

6-60-208. Requirements.

(a) A public school student who graduates from a public high school after May 1, 2002, must have successfully completed the core curriculum recommended by the Arkansas Higher Education Coordinating Board after consultation with the State Board of Education and under § 6-61-217 with a minimum cumulative grade point average of 2.0 on a 4.0 scale in order to be eligible for unconditional admission as an undergraduate to a state-supported four-year institution of higher education.

(b) Subject to subsection (c) of this section any public school student who graduates from a public high school after May 1, 2002, must have successfully completed the core curriculum recommended by the Arkansas Higher Education Coordinating Board after consultation with the State Board of Education and under § 6-61-217 in order to be eligible for unconditional admission to a state-supported two-year institution of higher education.

(c)(1)(A) The colleges and universities shall develop standards for collegiate admissions based on the mission of each institution and establish a conditional collegiate admissions process for each institution, subject to the recommendations of the Arkansas Higher Education Coordinating Board.

(B) The colleges and universities shall establish standards for conditional admission for public school graduates who have not completed the core curriculum, subject to the recommendations of the Arkansas Higher Education Coordinating Board. At a minimum, these conditional admissions standards shall require the following:

- (i) For a public school graduate seeking an associate of arts degree or a baccalaureate degree who failed to successfully complete the core curriculum, completion of twelve (12) hours of core academic courses and any necessary remedial courses with a cumulative grade point average of 2.0 on a 4.0 scale; or
- (ii) For a public school graduate seeking a diploma, a technical certificate, or an associate of applied science degree who failed to successfully complete the core curriculum, completion of six (6) hours of core academic courses, six (6) hours of technical courses required for the diploma, technical certificate, or associate of applied science

degree, and any necessary remedial courses with a cumulative grade point average of 2.0 on a 4.0 scale.

(2)(A) Conditional admissions standards shall reflect the mission of each institution and shall be implemented by the institutions as a condition for receiving state funds.

(B) If the Arkansas Higher Education Coordinating Board does not approve the conditional collegiate admissions standards and process for an institution, state funds shall not be used to subsidize or pay for any portion of the cost associated with the conditional students.

(3) The admissions criteria set forth in this section shall not apply to those individuals who graduate from a public high school prior to May 1, 2002.

(d)(1) Conditional admissions standards for nontraditional students shall be based on the student's score on the American College Test composite or its equivalent as defined by the Department of Higher Education, which shall issue guidelines to assist two-year and four-year institutions of higher education in developing conditional admissions standards.

(2) As used in this subsection, "nontraditional students" shall include those who are home-schooled or who attended private or parochial secondary schools.

(e) Beginning with the 2012-2013 academic year, a student who scores below fifteen (15) on an ACT or below a comparable score on a comparable exam may be reassessed to determine the student's ability to benefit using one (1) of the federally approved ability to benefit assessments.

(f)(1) Beginning with the 2012-2013 academic year, a student who scores below the acceptable federally determined ability-to-benefit assessment score but has a high school diploma or GED, may only be enrolled by a two-year or four-year institution of higher education in a specific program approved by the Arkansas Higher Education Coordinating Board, in collaboration with the institutions of higher education until the student can demonstrate academic proficiency that would predict success in a degree program.

(2) The Arkansas Higher Education Coordinating Board shall provide approved assessment tools and acceptable scores through Arkansas Higher Education Coordinating Board policy.

(g) This section does not prevent an institution of higher education from setting higher admissions standards for enrolling freshmen.

**History.** Acts 1993, No. 969, § 1; 1995, No. 1296, § 33; 1997, No. 977, § 3; 1997, No. 1290, § 1; 1999, No. 520, § 1; 2011, No. 1184, § 1.

**Amendments.** The 2011 amendment deleted "Beginning with the 2002-2003 academic year" or variant in (a)(1) and present (b); deleted former (a)(2); substituted "Arkansas Higher Education Coor-

dinating Board" for "coordinating board" in (b), (c)(1)(A), (c)(1)(B), and (c)(2)(B); substituted "state-supported" for "public" in (b); substituted "graduate" for "student" in (c)(1)(B)(i) and (c)(1)(B)(ii); deleted "beginning with the 1997-1998 academic year" at the beginning of (d)(1); and added (e) through (g).

**6-60-211. Tuition waiver for Arkansas National Guard soldiers and airmen — Tuition assistance for soldiers.**

(a) Colleges, universities, community colleges, technical schools, and other postsecondary institutions of higher learning located in the State of Arkansas that directly receive funds appropriated by the General Assembly may waive up to twenty-five percent (25%) of the tuition at the institution for soldiers and airmen of the Arkansas National Guard.

(b)(1) The Adjutant General of Arkansas shall establish and publish regulations for the eligibility and implementation of tuition assistance programs sponsored by the armed services.

(2) The Adjutant General's regulations shall conform to the Arkansas Administrative Procedure Act, § 25-15-201 et seq.

(3) The Adjutant General shall provide each postsecondary institution of higher learning located in the State of Arkansas a copy of the regulations within thirty (30) days after publication.

**History.** Acts 2003, No. 1045, § 1; 2005, No. 82, § 1.

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 22, provided: "NATIONAL GUARD TUITION INCENTIVE PROGRAM. In addition to any other provisions of law, any student who receives assistance from the appropriation made for the 'National Guard Tuition Incentive Program' in this Act shall repay any loans and/or assis-

tance if the student receives a discharge that is a less than Honorable Discharge. Priority for funding shall be given to students already receiving assistance from the National Guard Tuition Incentive Program.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

**6-60-212. Admissions — Applicants from medically underserved areas.**

(a) In an effort to address health disparities and the current shortage of nursing professionals in the state, each board of trustees of a publicly supported institution of higher education may establish a program under which additional consideration in admission to the institution and to the nursing or health career program is given to an applicant from a rural, medically underserved area of the state who is interested in pursuing a nursing or other health care career in a rural, medically underserved area of the state.

(b) The program for additional consideration under subsection (a) of this section may include, without limitation, the following measures:

(1) Early targeting of potential candidates from rural, medically underserved areas of the state who are interested in nursing and other health care professions, including junior high school, high school, two-year college, and four-year college students;

(2) Recruiting and guiding individuals from rural, medically underserved areas of the state who are interested in pursuing nursing and other health care professions in rural, medically underserved areas;

(3) Offering programs to prepare identified nursing and other health career candidates from rural, medically underserved areas of the state for meeting admission requirements to a postsecondary nursing pro-



gram, including, without limitation, preparatory programs offered with the aid of video and distance learning tools; and

(4) Providing that individuals from a rural, medically underserved area of the state who are interested in nursing or other health care professions receive an equal opportunity for success.

(c) Upon request, the Arkansas Higher Education Coordinating Board shall provide assistance to publicly supported institutions of higher education in implementing programs offered under this section.

(d) The coordinating board shall report annually to the House Interim Committee on Public Health, Welfare, and Labor and the Senate Interim Committee on Public Health, Welfare, and Labor regarding implementation of this section.

**History.** Acts 2005, No. 1256, § 1.

### **6-60-213. Reduced tuition for certain police officers.**

(a) As used in this section:

(1)(A) "Covered police officer" means:

(i) Any employee of the Department of Arkansas State Police who:

(a) Holds the rank of state trooper or a higher rank; and

(b) Has been an employee of the department for ten (10) or more years;

(ii) Any highway police officer who has been an employee of the Arkansas Highway Police Division of the Arkansas State Highway and Transportation Department for ten (10) or more years;

(iii) Any officer of the State Capitol Police who has been an employee of the State Capitol Police for ten (10) or more years; or

(iv) Any wildlife officer who has been an employee of the Arkansas State Game and Fish Commission for ten (10) or more years.

(B) "Covered police officer" does not include:

(i) A civilian employee; or

(ii) A person who is temporarily employed as a covered police officer due to an emergency situation;

(2) "Dependent" means:

(A) Any natural child, stepchild, or adopted child of a covered police officer; and

(B) Any individual of whom a covered police officer is the legal guardian;

(3) "Public institution of higher education" means a public university, college, technical college, or community college; and

(4)(A) "Tuition" means charges levied for attendance at an institution of higher education.

(B) "Tuition" does not include any fees charged or used for student activities, including without limitation any student athletic fee.

(b)(1) Any covered police officer or his or her dependent who is enrolled or has been accepted for enrollment in a public institution of higher education in Arkansas may have tuition reduced at a rate equal to the reduced rate of tuition provided to employees of that public

institution of higher education if his or her employer elects to offer reduced tuition.

(2) An employer of a covered police officer may elect to offer reduced tuition based on the amount of funds available.

(3) If the employer of the covered police officer elects to offer reduced tuition, the employer shall pay to the public institution of higher education the difference between the regular tuition rate and the reduced rate of tuition provided to employees of the public institution of higher education.

(c) No covered police officer or his or her dependent may utilize the reduced rate of tuition for educational purposes beyond the baccalaureate degree.

(d) The employer of a covered police officer electing to offer reduced tuition for covered police officers shall develop criteria regarding the awarding of reduced tuition, including without limitation:

- (1) Academic requirements to continue receiving reduced tuition;
- (2) The length of time reduced tuition may be offered;
- (3) Procedures to be followed in the event the covered police officer or his or her dependent experiences a severe personal illness, a medical disability, or activation for full-time military service; and
- (4) Appeal procedures that a covered police officer may follow if his or her reduced tuition is discontinued by the employer.

**History.** Acts 2007, No. 291, § 1.

SUBCHAPTER 5 — IMMUNIZATION

6-60-504. Physical disabilities — Religious objections.

RESEARCH REFERENCES

U. Ark. Little Rock L. Rev. Survey of Legislation, 2003 Arkansas General Assembly, Education Law, Immunization	Requirements, 26 U. Ark. Little Rock L. Rev. 384.
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SUBCHAPTER 6 — TEXTBOOKS AND COURSE MATERIALS

SECTION.	SECTION.
6-60-601. Adoption of textbooks and course materials.	6-60-603. Website links for textbooks and course materials.
6-60-602. Inducements to require textbooks prohibited.	6-60-604. Textbook royalties.
	6-60-605. Campus bookstore advertising.

**Effective Dates.** Acts 2007, No. 105, § 2: Feb. 14, 2007. Emergency clause provided: It is found and determined by the General Assembly of the State of Arkansas that institution of higher education professors may be offered financial incen-

tives to select certain textbooks and course materials rather than others, and may personally benefit from the selection of certain textbooks and course materials; that in order to provide the best state-supported higher education possible, the

best available textbooks and course materials should be objectively selected without regard to any personal financial gain; and that the passage of this act is immediately necessary to help students receive the best available textbooks and course materials needed for a quality education. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

Acts 2007, No. 106, § 2: Feb. 14, 2007. Emergency clause provided: It is found and determined by the General Assembly of the State of Arkansas that state-supported institution of higher education professors may be offered financial incentives to select certain textbooks and course materials rather than others, and may personally benefit from the selection of certain textbooks and course materials; that in order to provide the best state-supported higher education possible, the best available textbooks and course materials should be objectively selected without regard to any personal financial gain; and that the passage of this act is immediately necessary to help students receive the best available textbooks and course materials needed for a quality education. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

Acts 2007, No. 277, § 2: Mar. 16, 2007. Emergency clause provided: It is found

and determined by the General Assembly of the State of Arkansas that many retailers of textbooks outside of the State of Arkansas do not pay sales and use taxes to the state for in-state sales; that the additional revenue to be generated by the passage of this act is needed to help provide the best state-supported higher education possible; and that the loss of such sales and use tax revenue should be stopped or limited immediately. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.

Acts 2007, No. 1205, § 2: Apr. 5, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that textbooks and course materials for state-supported institution of higher education students are often purchased at higher prices than necessary or not at all due to a lack of competitive advertising; that students sometimes do not purchase needed textbooks and course materials due to a lack of funds; and that the passage of this act is immediately necessary to enable students to obtain the textbooks and course materials needed to help ensure a quality education at a more affordable price. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."



**6-60-601. Adoption of textbooks and course materials.**

(a)(1) For each full semester and collectively for summer sessions, a state-supported institution of higher education in this state shall distribute a list of all textbooks and course materials required or assigned for an undergraduate course by:

- (A) Publication on its website; and
- (B) Posting at its bookstore.

(2) The list shall be distributed no later than noon on:

- (A) April 1 for the following fall semester;
- (B) November 1 for the following spring semester; and
- (C) April 1 for all following summer sessions.

(b) For each textbook or course material the list shall include:

- (1) A brief description of the textbook or course material;
- (2) The author or authors;
- (3) The title and edition; and
- (4) Any special instructions or circumstances for the purchase or use of the textbook or course material.

(c) A textbook or course material for an undergraduate course may be adopted after the time specified in subsection (a) of this section for distributing the list if:

(1) The adoption is approved by the department chair and the dean or division head of the affected college; and

(2) The dean or division head of the college forwards to the chief academic officer of the affected state-supported institution of higher education the following information:

(A) A list of each late adoption;

(B) The names of the person or persons responsible for each late adoption; and

(C) A written statement explaining why each adoption was late.

**History.** Acts 2007, No. 175, § 1.

**6-60-602. Inducements to require textbooks prohibited.**

(a) No state-supported institution of higher education in this state or a department or employee of the institution of higher education shall demand or receive any present or promised gift, payment, loan, subscription, advance, deposit of money, services, or any other thing of value as an inducement for requiring students to purchase a specific textbook for coursework or instruction.

(b) This section shall not prevent an employee of the institution of higher education from receiving either:

(1) Sample copies, instructor's copies, or instructional material of a specific textbook required for coursework or instruction; or

(2) Royalties or other compensation from the sale or publication of a textbook that includes the employee's own writing or work.

(c) A violation of this section:

(1) Shall be reported within ten (10) business days by the state-supported institution of higher education to the:

- (A) Chief academic officer of the institution;
- (B) Chief legal counsel of the institution; and
- (C) Legislative Council; and

(2) May be reported to the parties identified in subdivision (c)(1) of this section by any business or consumer.

**History.** Acts 2007, No. 105, § 1.

### **6-60-603. Website links for textbooks and course materials.**

(a) No state-supported institution of higher education in this state shall place or permit to be placed on its website or its bookstore's website a link to the website of a retailer of textbooks or other educational materials if the retailer:

(1) Is not required to report and pay Arkansas sales and use taxes; and

(2) Does not obtain a use tax permit from the Department of Finance and Administration and report and pay Arkansas sales and use taxes on sales of textbooks and other educational materials to residents of this state.

(b) This section is intended to promote the state's ability to provide a quality but affordable higher education by strengthening the state's relationship with textbook retailers that support the state's educational mission by:

(1) Paying Arkansas sales and use taxes; and

(2) Interacting locally with state-supported institutions of higher education.

(c) Nothing in this section prevents a faculty member from referring students to any source for required or suggested textbooks or course materials.

(d)(1) A violation of subsection (a) of this section shall be reported to the department.

(2) If the department determines that a violation of subsection (a) of this section has occurred, it shall notify the state-supported institution of higher education of the violation.

**History.** Acts 2007, No. 277, § 1.

### **6-60-604. Textbook royalties.**

(a) A state-supported institution of higher education shall establish guidelines for the use of royalties received by a faculty member from the sale of textbooks and course materials for classes taught by the faculty member.

(b) The guidelines shall:

(1) Be designed to acknowledge the conflict of interest; and

(2) Specify how the royalties may be used, giving priority consideration to programs that benefit students academically.

**History.** Acts 2007, No. 106, § 1.

6-60-605. Campus bookstore advertising.

(a)(1) If any state-supported institution of higher education advertises or allows an on-campus bookstore to submit advertising for inclusion in orientation packets or through the electronic media services of the state-supported institution of higher education or as part of a presentation to any student group, then the state-supported institution of higher education shall allow a private local textbook vendor access to distribute the private local textbook vendor’s advertising by the same distribution method if requested in writing by the private local textbook vendor.

(2) The state-supported institution of higher education:

(A) Shall distribute the advertising of a private local textbook vendor contemporaneously with the advertising of the on-campus bookstore;

(B) May request a modification of the advertising of the on-campus bookstore or a private local textbook vendor if the advertising does not reflect the public interests of the state; and

(C) Is under no obligation to accept advertising from the on-campus bookstore or a private local textbook vendor.

(3) An on-campus bookstore and a private local textbook vendor shall be responsible for the costs related to the preparation and production of all advertising material.

(b) As used in this section:

(1) “Advertising” means not more than two (2) pages of promotional material describing the availability and terms of sale of textbooks or course materials; and

(2) “State-supported institution of higher education” means any college, university, vocational school, trade school, or other postsecondary educational institution that receives any funding from the state.

(c) A violation of subsection (a) of this section:

(1) Shall be reported within ten (10) business days by the state-supported institution of higher education to the:

(A) Chief fiscal officer of the institution;

(B) Chief legal counsel of the institution; and

(C) Legislative Council; and

(2) May be reported to the parties identified in subdivision (c)(1) of this section by any business or consumer.

History. Acts 2007, No. 1205, § 1.

SUBCHAPTER 7 — COMPREHENSIVE ARKANSAS HIGHER EDUCATION ANNUAL  
REPORT ACT

SECTION.	SECTION.
6-60-701. Title.	Education for inclusion in
6-60-702. Purpose.	the report.
6-60-703. Report.	6-60-705. Limitations.
6-60-704. Information submitted to the Department of Higher	



**6-60-701. Title.**

This subchapter shall be known as the "Comprehensive Arkansas Higher Education Annual Report Act".

**History.** Acts 2009, No. 416, § 1.

**6-60-702. Purpose.**

The Comprehensive Arkansas Higher Education Annual Report shall:

(1) Serve as a central tool for the General Assembly and others to evaluate all facets of the Arkansas higher education system; and

(2) Combine all higher education reports currently required by the General Assembly to be submitted separately into one (1) report.

**History.** Acts 2009, No. 416, § 1.

**6-60-703. Report.**

(a)(1) The Comprehensive Arkansas Higher Education Annual Report shall be submitted by the Department of Higher Education to the House Committee on Education and Senate Committee on Education, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor no later than December 15, 2011, and each year thereafter.

(2) The Comprehensive Arkansas Higher Education Annual Report shall be posted on the department website for public inspection no later than January 1, 2012, and each year thereafter.

(b) The Comprehensive Arkansas Higher Education Annual Report shall consist of the following reports:

(1) Annually:

(A) Scholarship programs, including without limitation the Arkansas Academic Challenge Scholarship Program;

(B) Remediation rates, §§ 6-15-2401 and 6-61-221;

(C) The Voluntary Universal ACT Assessment Program, § 6-18-1608;

(D) Military students and families, § 6-61-112;

(E) Retention rates and graduation rates, § 6-61-220;

(F) Athletic expenditures, § 6-62-106;

(G) Student enrollment, § 6-60-209;

and

(H) Affirmative action programs summaries, § 6-63-103;

(2) Biennially, each even-numbered year:

(A) Changes to Productivity Enhancement for Undergraduate Higher Education Program plans, § 6-61-1311;

(B) Uniform reporting standards, § 6-61-222;

(C) Changes to affirmative action program plans, § 6-63-103; and

(D) Economic development goals and educational efforts, § 6-61-207; and

- (3) Every five (5) years, beginning in 2015:
  - (A) Minority retention plans, § 6-61-122; and
  - (B) Affirmative action program plans, § 6-63-103(c).
- (c)(1) All deadlines for higher education reports currently required by the General Assembly are superseded by subsection (b) of this section unless otherwise specified in this subchapter.
- (2) All financial reports provided to the Arkansas Higher Education Coordinating Board shall be included in the report, including the Higher Education Financial Conditions Report.
- (d) All future higher education reports statutorily required by the General Assembly shall:
  - (1) Be submitted as part of the Comprehensive Arkansas Higher Education Annual Report; and
  - (2) Include a fiscal impact on administrative costs to the department.

**History.** Acts 2009, No. 416, § 1; 2011, No. 696, § 1.

**Amendments.** The 2011 amendment substituted “December 15, 2011” for “December 1, 2009” in (a)(1); substituted “January 1, 2012” for “December 8, 2009” in (a)(2); substituted “the following reports” for “all higher education reports

currently required by the General Assembly, including without limitation reports pertaining to” in (b); rewrote (b)(1); added present (b)(2) and (3) and redesignated former (b)(2) as (c)(1) and former (b)(3) as (c)(2); redesignated (c) as (d); and substituted “subsection (b)” for “subsection (a)” in (c)(1); and inserted “statutorily” in (d).

#### **6-60-704. Information submitted to the Department of Higher Education for inclusion in the report.**

(a) All higher education reports submitted to the General Assembly or other governmental bodies by individual colleges and universities, agencies, boards, or commissions shall be submitted directly to the Department of Higher Education no later than November 1, 2011, and each year thereafter for inclusion in the Comprehensive Arkansas Higher Education Annual Report.

(b) If an institution of higher education fails to submit the required reports to the department by November 15, the institutions shall appear before the House Committee on Education and the Senate Committee on Education to explain why they failed to meet the submission deadline.

(c) Financial information provided by an institution of higher education is subject to review by the Division of Legislative Audit, and any adjustments made to previously submitted financial information during the course of a financial audit may be revised based upon recommendations made by the division.

**History.** Acts 2009, No. 416, § 1; 2011, No. 696, § 1.

**Amendments.** The 2011 amendment

substituted “November 1, 2011” for “October 1, 2009” in (a); and substituted “November 15” for “October 15” in (b).

**6-60-705. Limitations.**

(a) This subchapter does not limit the authority of the General Assembly to request additional interim reports and supplemental information from the Department of Higher Education, colleges and universities, or other entities as needed.

(b) The Comprehensive Arkansas Higher Education Annual Report shall take priority for the department staff over a report requested under subsection (a) of this section.

**History.** Acts 2009, No. 416, § 1.

**SUBCHAPTER 8 — THE CLEAN AIR ON CAMPUS ACT OF 2009**

SECTION.

6-60-801. Title.

6-60-802. Findings.

6-60-803. Definitions.

6-60-804. Prohibitions on smoking.

6-60-805. Notice of prohibition of smoking.

SECTION.

6-60-806. Rules — Promulgation and enforcement authority.

6-60-807. Penalties.

**6-60-801. Title.**

This subchapter shall be known as the “Clean Air on Campus Act of 2009”.

**History.** Acts 2009, No. 734, § 1.

**6-60-802. Findings.**

The General Assembly finds that:

(1) Scientific research data has shown that nonsmokers often receive damage to their health from the smoking of tobacco by others;

(2) Smoking, directly or indirectly, is a major cause of preventable diseases and death;

(3) Secondhand smoke can cause or contribute to lung cancer, heart disease, chronic lung ailments, and low birth-weight; and

(4) A law that prohibits smoking on state-supported institutions of higher education campuses will reduce secondhand smoke exposure among nonsmokers.

**History.** Acts 2009, No. 734, § 1.

**6-60-803. Definitions.**

As used in this subchapter:

(1) “Campus” means all property, including buildings and grounds, that are owned or operated by a state-supported institution of higher education;



(2) "Employee" means an individual who is employed by a state-supported institution of higher education in consideration for direct or indirect monetary wages or profit;

(3) "Governing authority" means the administrative branch of the state-supported institution of higher education;

(4) "Guest" means a visitor to the campus of a state-supported institution of higher education;

(5) "Secondhand smoke" means smoke:

(A) Emitted from lighted, smoldering, or burning tobacco when the person is not inhaling;

(B) Emitted at the mouthpiece during puff drawing; and

(C) Exhaled by the person smoking;

(6) "Smoking" means inhaling, exhaling, burning, or carrying any:

(A) Lighted tobacco product, including cigarettes, cigars, and pipe tobacco; and

(B) Other lighted combustible plant material; and

(7) "Student" means an individual enrolled in a credit or noncredit course at a state-supported institution of higher education.

**History.** Acts 2009, No. 734, § 1.

#### **6-60-804. Prohibitions on smoking.**

(a) Beginning on August 1, 2010, smoking is prohibited on each campus of state-supported institutions of higher education.

(b) An individual or campus subject to the smoking prohibitions of this section shall not discriminate or retaliate in any manner against a person for making a complaint of a violation of this section or furnishing information concerning a violation to a person, campus, or governing authority.

(c) The prohibitions on smoking in this section shall be communicated to all students and employees of state-supported institutions of higher education a minimum of thirty (30) days before July 31, 2009, and to each guest of a state-supported institution of higher education upon request.

**History.** Acts 2009, No. 734, § 1.

#### **6-60-805. Notice of prohibition of smoking.**

"No Smoking" signs or the international "No Smoking" symbol consisting of a pictorial representation of a burning cigarette enclosed in a red circle with a red bar across it may be clearly and conspicuously posted on each campus where smoking is prohibited by this subchapter.

**History.** Acts 2009, No. 734, § 1.

**6-60-806. Rules — Promulgation and enforcement authority.**

(a) The Arkansas Higher Education Coordinating Board may adopt reasonable rules that it determines necessary to carry out the purposes or facilitate the enforcement of this subchapter.

(b)(1) The Department of Higher Education may enforce compliance with this subchapter and any rules promulgated under this subchapter by the board.

(2) Under the rules of the board, the department may enter upon and inspect a campus at any reasonable time and in a reasonable manner.

**History.** Acts 2009, No. 734, § 1.

**6-60-807. Penalties.**

Any person who violates any provision of this subchapter is guilty of a violation and upon conviction shall be punished by a fine of not less than one hundred dollars (\$100) no more than five hundred dollars (\$500).

**History.** Acts 2009, No. 734, § 1.

**SUBCHAPTER 9 — ARKANSAS HIGHER EDUCATION INFORMATION SYSTEM****SECTION.**

6-60-901. Definitions.

6-60-902. Arkansas Higher Education Information System.

**SECTION.**

6-60-903. Compliance by institutions of higher education.

**A.C.R.C. Notes.** Acts 2011, No. 1195, § 2, provided:

“(a) Until the Bureau of Legislative Research is provided direct read and report only access to the data warehouse of the Arkansas Higher Education Information System under this act, the Department of Higher Education shall provide data to the bureau as follows:

“(1) Weekly uploads of the student application database of the Arkansas Higher Education Information System from students who have consented to the release of information under § 6-85-215;

“(2) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit application data, uploads of the student application database of the Arkansas Higher Education Information System containing de-identified student application data from students who have not consented to the release of information under § 6-85-215

until all student application data has been provided to the bureau;

“(3) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit student data, uploads of the database of the Arkansas Higher Education Information System containing the student data required to be provided under Act 207 of the 2011 Regular Session of the 88th Arkansas General Assembly, § 17, which amends § 6-85-217; and

“(4) By October 15, 2011, the financial aid file of the Arkansas Higher Education Information System.

“(b)(1) The Department of Higher Education shall provide the data whether the data is complete or incomplete or received from an institution of higher education late or on time, with a report to the bureau concerning:

“(A) The name of an institution of higher education that has not submitted

complete and correct data by a deadline published by the Department of Higher Education; and

“(B) The type of data the institution failed to submit or needs to correct.

“(2) The Department of Higher Education shall upload to the bureau any completed, late, or corrected data as soon as it is received by the Department of Higher Education.

“(c)(1) The bureau shall take reasonable precautions, including electronic blocking or redacting, to prevent the disclosure of personally identifiable information of a student, as that term is defined in 20 U.S.C. § 1232g, as it existed on January 1, 2011, unless the parent or guardian of a minor student or a student who is no longer a minor consents in writing to the disclosure of personally identifiable information about that student.

“(2)(A)(i) The bureau shall use a method of redaction substantially similar to the one used by the Department of Education based on the standards used by the Department of Education.

“(ii) The bureau shall not include in a report any set of data that contains less than ten (10) units of data.

“(B) The bureau staff shall inform the Department of Higher Education of any warehouse data used in the preparation of reports and provide the Department of Higher Education at least one (1) working day to review any student-related warehouse data used in preparation of reports before publicly releasing that student-related data without personally identifiable information of a student.

“(d) The Department of Higher Education shall provide other information and records requested by the bureau as soon as possible and in whatever reasonable form requested.

“(e) The Department of Higher Education shall provide a bimonthly report to the Arkansas Lottery Commission Legislative Oversight Committee on the progress of developing the direct read and report only access to the data warehouse

of the Arkansas Higher Education Information System to be used by the bureau under this act.”

**Effective Dates.** Acts 2011, No. 1195, § 3: Apr. 4, 2011. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that increasing the number of Arkansans who obtain postsecondary credentials is critical to the economic health of the state and its citizens; that the Arkansas Scholarship Lottery provides the opportunity for tens of thousands of Arkansans to obtain postsecondary education; that the continual evaluation of the Arkansas Academic Challenge Scholarship Program and of all state-supported scholarship and grant programs by the General Assembly is critical for maximizing the benefits to the state and its citizens of state financial aid for higher education and meeting state objectives for higher education; that accountability and transparency in the implementation of state-supported scholarship programs are fundamental to a proper evaluation of the programs; that the collection of data and access to that data by the Bureau of Legislative Research are necessary to ensure proper legislative oversight for that accountability and transparency; and that this act is immediately necessary for the Department of Higher Education to begin developing the direct read and report only access to the data warehouse of the Arkansas Higher Education Information System, and for the Arkansas Higher Education Coordinating Board to promulgate rules to implement this act. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

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## 6-60-901. Definitions.

As used in this subchapter:



(1) "Arkansas Higher Education Information System" means the database maintained by the Department of Higher Education containing student data files that the department and institutions of higher education in Arkansas are required to collect under §§ 6-85-214, 6-85-215, and 6-85-217, other state law, and federal law; and

(2) "Institution of higher education" means:

(A) An Arkansas state-funded community college;

(B) An Arkansas state-funded university; or

(C) A private college or university in Arkansas that receives state funding for student financial assistance or voluntarily participates in the system.

**History.** Acts 2011, No. 1195, § 1.

### **6-60-902. Arkansas Higher Education Information System.**

(a) The Department of Higher Education shall develop and maintain the Arkansas Higher Education Information System.

(b)(1) By December 31, 2011, the Department of Higher Education shall provide the Bureau of Legislative Research with direct read and report only access to the data warehouse of the system concerning student academic data, financial aid data, and related records.

(2)(A) In providing the bureau with the direct read and report only access required under subdivision (b)(1) of this section, the Department of Higher Education shall take reasonable precautions, including electronic blocking or redacting, to prevent the disclosure of:

(i) Personally identifiable information of a student unless the parent or guardian of a minor student or a student who is no longer a minor consents in writing to the disclosure of personally identifiable information about that student; or

(ii) Information that would cause the Department of Higher Education to lose funding under 20 U.S.C. § 1232g, as it existed on January 1, 2011.

(B) The Department of Higher Education shall:

(i) Work with the Department of Education to develop the method of redaction to be used with the system based on the standards used by the Department of Education; and

(ii) Disclose to the bureau and to the Arkansas Lottery Commission Legislative Oversight Committee the method of electronic blocking or redaction the Department of Higher Education will use under this subsection.

(3)(A) The Department of Higher Education shall make its staff reasonably accessible for consultation with bureau staff in developing and responding appropriately to bureau requests under this section.

(B) The bureau staff shall inform the Department of Higher Education of any warehouse data used in the preparation of reports and provide the Department of Higher Education at least one (1) working day to review any student-related warehouse data used in

preparation of reports before publicly releasing that student-related data without personally identifiable information of a student.

(c) The Department of Higher Education shall provide other information and records requested by the bureau as soon as possible and in whatever reasonable form requested.

(d) To the extent possible, the Department of Higher Education, in cooperation with the Department of Education, shall maintain the system in a manner that will ultimately be compatible with implementing a P-20 student data system for the state.

**History.** Acts 2011, No. 1195, § 1.

### **6-60-903. Compliance by institutions of higher education.**

(a) An institution of higher education shall provide the data required under this subchapter at the time and in the manner:

(1) Required by rules of the Arkansas Higher Education Coordinating Board; and

(2) Published from time to time by the Department of Higher Education.

(b) Within two (2) weeks of an institution of higher education's failure to comply with the requirements for submission of data published by the department, the department shall report to the Arkansas Lottery Commission Legislative Oversight Committee:

(1) The name of an institution of higher education that has not complied with the deadline;

(2) The type of data the institution of higher education failed to submit;

(3) The length of time of noncompliance; and

(4) Any additional information requested by the committee.

**History.** Acts 2011, No. 1195, § 1.

## **CHAPTER 61**

### **POSTSECONDARY INSTITUTIONS GENERALLY**

#### **SUBCHAPTER.**

1. GENERAL PROVISIONS.
2. ARKANSAS HIGHER EDUCATION COORDINATING BOARD.
3. ESTABLISHMENT AND EXPANSION.
5. COMMUNITY COLLEGES GENERALLY.
6. COMMUNITY COLLEGES — FINANCES.
13. PRODUCTIVITY ENHANCEMENT FOR UNDERGRADUATE HIGHER EDUCATION ACT.
14. COMMON COURSE NUMBERING SYSTEM.
15. ELECTRICAL ENERGY ADVANCEMENT PROGRAM.

**A.C.R.C. Notes.** References to "this chapter" in subchapters 1-9 may not apply to §§ 6-61-113 — 6-61-124, 6-61-127 — 6-61-138, 6-61-222, 6-61-224, 6-61-226 — 6-61-232, 6-61-525, 6-21-526, 6-61-528 — 6-61-534, 6-61-613, 6-61-708, and subchapters 10-15 which were enacted subsequently.

## SUBCHAPTER 1 — GENERAL PROVISIONS

## SECTION.

- 6-61-110. Testing of entering freshmen for remedial courses.
- 6-61-112. A student or a student's spouse called into military service.
- 6-61-114. [Repealed.]
- 6-61-115 — 6-61-120. [Repealed.]
- 6-61-129. Establishment of centers of excellence.
- 6-61-130. Institutional advice for university course work and degree completion.
- 6-61-131. Student accounts receivable policies at two-year institutions of higher education.
- 6-61-132. Academic advising on transferability of coursework.

## SECTION.

- 6-61-133. Training for mandatory reporters and licensed elementary and secondary public school personnel.
- 6-61-134. Associate of applied science degree — Mathematics requirement.
- 6-61-135. False academic credential.
- 6-61-136. Establishment of an accrediting agency.
- 6-61-137. Presentation of expenditure data by state-supported institutions of higher education.
- 6-61-138. Posthumous degrees.

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**A.C.R.C. Notes.** Acts 2011, No. 1065, § 27, provided: "AUDIT/REVIEW OF STATE SCHOLARSHIP FUNDS. Any post-secondary institution that receives state scholarship funds administered by the Arkansas Department of Higher Education shall be subject to audit/review of such funds by the Division of Legislative Audit, upon approval of the Legislative Joint Audit Committee.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

**Effective Dates.** Acts 2005, No. 85, § 2: Feb. 8, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that since September 11, 2001, members of the National Guard and Reserves are being called into active duty more frequently for homeland security duties, for duties related to the fight against terrorism, and for peacekeeping efforts in Iraq; that one of the main recruiting tools

used to attract young men and women into military service in the National Guard and Reserves is the offer of financial aid for college tuition and expenses; that students who are members of the National Guard or Reserves are often activated or deployed, which interrupts their educational pursuits and causes them monetary losses; that this act is immediately necessary to prevent the soldiers who serve our country from incurring monetary losses because of their service. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."



**6-61-105. Course in American history and civil government required.**

**RESEARCH REFERENCES**

**U. Ark. Little Rock L. Rev.** Survey of Graduation Requirements, 26 U. Ark. Legislation, 2003 Arkansas General Assembly, Education Law, High School Little Rock L. Rev. 382.

**6-61-106. Course in United States Constitution and American institutions and ideals required.**

**RESEARCH REFERENCES**

**U. Ark. Little Rock L. Rev.** Survey of Graduation Requirements, 26 U. Ark. Legislation, 2003 Arkansas General Assembly, Education Law, High School Little Rock L. Rev. 382.

**6-61-110. Testing of entering freshmen for remedial courses.**

(a) A first-time entering freshman at a state-supported institution of higher education who is admitted to enroll in an associate or a bachelor's degree program shall be tested by the admitting institution for purposes of placement in either college-level credit courses in English and mathematics or remedial courses in English composition, reading, and mathematics.

(b) Remedial courses shall not provide credit toward a degree.

(c)(1) The Arkansas Higher Education Coordinating Board shall determine the:

(A) Test or other criteria to be used;

(B) Testing procedures and exemptions;

(C) Minimum scores or criteria below which students at all state-supported institutions of higher education must take remedial courses; and

(D) Minimum scores or criteria to allow simultaneous enrollment in college-level credit and remedial courses.

(2) The board shall base these decisions on:

(A) Consultation with representatives of the state-supported institutions of higher education;

(B) Analysis of the placement procedures presently used by institutions in the state;

(C) Statewide placement testing programs in other states; and

(D) Pilot projects involving testing of entering freshmen at selected institutions in the state.

(3) The board, in collaboration with state-supported institutions of higher education, shall develop by institution uniform measurable exit standards for remedial courses that are comparable to the ACT or SAT equivalent required for college-level enrollment in credit courses to be implemented no later than the fall semester of 2010.

(d)(1) The board shall work with state-supported institutions of higher education to:

(A) Develop innovative alternatives to traditional instruction and delivery methods for remedial courses; and

(B) Provide professional development opportunities to help remedial education faculty gain knowledge in best practices and trends in the instruction and delivery of remedial education.

(2) The board shall report to the House Committee on Education and the Senate Committee on Education by February 1, 2010, on the progress made in addressing the requirements in subdivision (d)(1) of this section.

**History.** Acts 1991, No. 1101, § 23; (c); added subdivision designations in 1999, No. 508, § 3; 2009, No. 971, § 1; (c)(1) and (c)(2); and added (c)(3) and (d) 2011, No. 899, § 1.

**Amendments.** The 2009 amendment made minor stylistic changes in (a) and (c)(1)(C); and added (c)(1)(D). The 2011 amendment inserted "or other criteria" in (c)(1)(A); inserted "or criteria" in (c)(1)(C); and added (c)(1)(D).

### **6-61-112. A student or a student's spouse called into military service.**

(a) A student who ceases attendance at a state-supported postsecondary educational institution without completing and receiving a grade in one (1) or more courses shall receive compensation for the resulting monetary loss as provided under this section if the student ceases attendance because:

(1) The student is activated or deployed by the military; or

(2) The student's spouse is activated or deployed by the military and the student or the student's spouse has dependent children residing in the household.

(b)(1) To be eligible for the compensation described under this section, the student must provide, prior to activation or deployment, an original or official copy of the military activation or deployment orders to the registrar or other designated school official of the state-supported postsecondary educational institution at which the student is enrolled at the time of military activation or deployment.

(2) To be eligible for the compensation described under this section, a student whose spouse is a service member shall provide proof of registration with the Defense Enrollment Eligibility Reporting System of the Department of Defense that establishes that dependent children reside in the household of the student and service member.

(c)(1) The student shall choose from one (1) of the following three (3) compensatory options regarding tuition:

(A) A complete refund of tuition and general fees that are assessed against all students at the institution;

(B) At least one (1) year to complete the course work after the student's or student's spouse's deactivation; or

(C)(i) Free tuition for one (1) semester at the institution where the student's attendance was interrupted unless federal aid is made available to compensate the student for the resulting monetary loss related to the student's or student's spouse's activation or deployment.

(ii) Federal aid shall not include Pell Grants, other federal grants, or other monetary benefits paid to the student directly or at the student's direction.

(iii) If a student or student's spouse is activated or deployed during a semester, the student shall not receive more than one (1) semester of free tuition under this subdivision (c)(1)(C).

(2) This subsection shall not allow a student to recover any amount in excess of the student's actual monetary loss.

(d)(1) The student shall receive a proportionate refund of room, board, and other fees that were paid to the institution based on the date of the student's notice of withdrawal from the institution.

(2) If an institution contracts for room, board, or other services from a third party, then the third-party contractor shall provide a refund to the institution for the services or fees in an amount equal to the student's monetary loss under subdivision (c)(1) of this section;

(e) The student shall receive the maximum price, based on condition, for the textbooks related to the uncompleted courses if the institution has a policy of repurchasing textbooks.

(f)(1) A student's eligibility for a state-supported scholarship, grant, or loan for attendance at a postsecondary educational institution shall not be affected by the student's failure to complete any course work because of the student's or student's spouse's military activation or deployment.

(2) The Department of Higher Education shall adopt the necessary rules to ensure that state-supported scholarship, grant, and loan programs comply with the provisions of this section.

(g)(1) For each fiscal year, each state-supported institution of higher education in the state shall report the type and amount of compensatory options provided under this section to the department.

(2) The department shall report to the House Interim Committee on Aging, Children and Youth, Legislative and Military Affairs and the Senate Interim Committee on Children and Youth regarding the type and amount of compensatory options provided under this section by each state-supported institution of higher education no later than October 1 of each year beginning in 2006 and each year thereafter.

**History.** Acts 1991, No. 310, §§ 1-3; 2005, No. 85, § 1; 2007, No. 16, § 1.

**Amendments.** The 2007 amendment substituted "A student or a student's spouse" for "Students" in the section heading; inserted "or a student's spouse" following "student" or similar language

throughout the section; in (a), deleted "due to military activation or deployment" following "one (1) or more courses," added "if the student ceases attendance because" at the end, and added (1) and (2); and added (b)(2).

## 6-61-114. [Repealed.]

**Publisher's Notes.** This section, concerning standardized rising junior test - annual report, was repealed by Acts 2007,

No. 274, § 1. The section was derived from Acts 1993, No. 874, §§ 1, 2; 1999, No. 478, § 3; 2001, No. 1085, § 1.



**6-61-115 — 6-61-120. [Repealed.]**

**Publisher's Notes.** These sections, concerning the Arkansas Institution for Advocacy for the Blind, Arkansas Board for the Institution for Advocacy for the Blind creation and powers, Arkansas Institution for Advocacy for the Deaf, and Arkansas Board for the Institution for Advocacy for the Deaf creation and powers, were repealed by Acts 2009, No. 1484,

§ 2. The sections were derived from the following sources:

6-61-115. Acts 1999, No. 853, § 1.

6-61-116. Acts 1999, No. 853, § 2.

6-61-117. Acts 1999, No. 853, § 3.

6-61-118. Acts 1999, No. 928, § 1.

6-61-119. Acts 1999, No. 928, § 2.

6-61-120. Acts 1999, No. 928, § 3.

**6-61-127. Arkansas Higher Education Performance Reporting System.**

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 28, provided: "AUDIT DATA. All post-secondary institutions shall provide to the Arkansas Department of Higher Education a copy of the Integrated Post-Secondary Education Data System (IPEDS) data within three weeks following the IPEDS

due date, which shall be subject to audit by the Arkansas Department of Higher Education.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

**6-61-129. Establishment of centers of excellence.**

(a) For purposes of this section, "center of excellence" means a consortium of two (2) or more institutions of higher education working in collaboration with regional economic developers. The purpose of the centers of excellence shall be to address the workforce education and training needs for existing, expanding, or attracting new business and industry in each of the economic development regions of the state.

(b)(1) In order to improve the state's ability to compete in the knowledge-based economy, the Arkansas Higher Education Coordinating Board may create acknowledged centers of excellence.

(2)(A) Institutions of higher education may submit proposals to the Department of Higher Education to become centers of excellence.

(B) In each proposal for creation of a center of excellence, institutions shall identify the center's:

(i) Technical alignment, academic alignment, or both, to existing or future businesses and industries in the state; and

(ii) Collaboration plan to serve a particular occupation.

(c)(1) Two (2) representatives of the Department of Higher Education as designated by the Director of the Department of Higher Education, and one (1) representative each of the Arkansas Economic Development Commission and the Arkansas Science and Technology Authority shall meet jointly as needed to review applications.

(2) The Department of Higher Education, the Arkansas Economic Development Commission, and the Arkansas Science and Technology Authority shall jointly make a recommendation to the board regarding which institutions shall be acknowledged as centers of excellence in a particular program or field of study based on factors, including, but not limited to:

- (A) Number, type, and demand for related jobs;
- (B) Quality of related instructional or research programs, or both;
- (C) Availability of faculty;
- (D) Student accessibility;
- (E) Feasibility of expected program cost; and
- (F) Research capability.

(d) Final approval of centers of excellence shall be made by the board.

(e) The designation of centers of excellence shall be fully reviewed at least one (1) time every five (5) years.

**History.** Acts 2005, No. 265, § 1.

125, 6-61-126 and subchapters 2-9 may

**A.C.R.C. Notes.** References to "this chapter" in §§ 6-61-101 — 6-61-112, 6-61-

not apply to this section which was enacted subsequently.

### **6-61-130. Institutional advice for university course work and degree completion.**

(a) The purpose of this section is to ensure that faculty advisors at universities provide students with course selection advice that will enable a full-time student to obtain most bachelor's degrees within eight (8) semesters.

(b) Any person assigned by a university to provide course selection advice to incoming freshman students shall provide any student who has declared a major with a written, eight-semester course of study signed by either the institution's chief operating officer, president, or dean that provides a recommended sequence for all course requirements for completion of most bachelor's degrees within eight (8) semesters.

(c)(1)(A) Any student who chooses a bachelor's degree designed to be completed within eight (8) semesters may commit to completion of the degree requirements within eight (8) semesters by signing and returning a copy of the written, eight-semester course of study to the university's advising center or the student's assigned academic advisor.

(B) If a student does not choose to commit to completion of the degree requirements within eight (8) semesters, the institution shall obtain a signed, written waiver from the student that clearly outlines the student's rights under this section and verifies that the student chooses not to enter into the commitment. If no waiver is obtained, the institution will be deemed to have guaranteed a bachelor's degree as provided by this section.

(2) A student shall be guaranteed a bachelor's degree at the end of the eight (8) semesters if the student:

(A) Commits to completion of his or her bachelor's degree requirements within eight (8) semesters as set forth under subdivision (c)(1) of this section;

(B) Makes satisfactory academic progress;

(C) Fulfills all of the course requirements set forth in the signed, written, eight-semester course of study in the recommended sequence; and

(D) Does not change his or her declared major.

(d)(1) Each university shall publish a recommended course sequence and recommended schedule by semester for each degree offered by the university.

(2) The recommended course sequence schedule shall be included in the university's course catalog and departmental publications and on the university's website.

(3) Each university shall offer and make available courses in a time, sequence, and manner that will enable students to complete requirements for a degree within the time frame set out in the recommended course sequence schedule.

(e) Only universities that implement procedures in compliance with this section shall be approved by the Arkansas Higher Education Coordinating Board to receive funding from the Arkansas Academic Challenge Scholarship Program or the Arkansas Governor's Scholars Program.

**History.** Acts 2005, No. 1014, § 1.

125, 6-61-126 and subchapters 2-9 may

**A.C.R.C. Notes.** References to "this chapter" in §§ 6-61-101 — 6-61-112, 6-61-

not apply to this section which was enacted subsequently.

### **6-61-131. Student accounts receivable policies at two-year institutions of higher education.**

(a) As used in this section, "two-year institution of higher education" means:

(1) A state-supported two-year institution of higher education; or

(2) A two-year branch campus of a four-year institution of higher education.

(b) A two-year institution of higher education shall:

(1) Develop and adopt policies concerning:

(A) Student accounts receivable;

(B) The collection of delinquent accounts; and

(C) The prevention of students with long-standing delinquent account balances from registering for courses or completing courses; and

(2)(A) Review its policies and practices to ensure its compliance with census reporting guidelines promulgated by the Department of Higher Education.

(B) A review under subdivision (b)(2) of this section shall occur at the beginning of each fall semester.

(c) A policy developed under subdivision (b)(1) of this section shall be:

(1) Issued in written form by the two-year institution of higher education;

(2) Published in the two-year institution of higher education's student handbook and on its website; and



(3) Filed with the department no later than thirty (30) days after the adoption of the policy.

**History.** Acts 2007, No. 50, § 1.

125, 6-61-126 and subchapters 2-9 may not apply to this section which was enacted subsequently.

**A.C.R.C. Notes.** References to “this chapter” in §§ 6-61-101 — 6-61-112, 6-61-

### **6-61-132. Academic advising on transferability of coursework.**

(a) The General Assembly finds that:

(1) Academic advising is an important service provided to students;

(2) The Arkansas Course Transfer System is an important tool for the advising process that is to be used by professors and advising staff to improve graduation rates; and

(3) Freshmen should be advised of the importance of academic advising, the availability of the Arkansas Course Transfer System, and how to use the Arkansas Course Transfer System.

(b) Each public institution of higher education shall inform each student at registration as to how the Arkansas Course Transfer System can be used to assist the student to understand which course will transfer to another public institution of higher education.

(c) The information provided to the student under this section shall help the student use the Arkansas Course Transfer System to determine which public institutions of higher education accept various courses for transfer.

**History.** Acts 2007, No. 472, § 1.

125, 6-61-126 and subchapters 2-9 may not apply to this section which was enacted subsequently.

**A.C.R.C. Notes.** References to “this chapter” in §§ 6-61-101 — 6-61-112, 6-61-

### **6-61-133. Training for mandatory reporters and licensed elementary and secondary public school personnel.**

(a) As used in this section:

(1) “Child maltreatment” means the abuse, sexual abuse, neglect, sexual exploitation, or abandonment of a child under the Child Maltreatment Act, § 12-18-101 et seq.; and

(2) “Licensed school personnel” means a person who works with students in an elementary or secondary public school, a public charter school, a school district, or an education service cooperative for whom a license issued by the State Board of Education is a condition of employment, including without limitation a:

(A) School or school district administrator;

(B) Teacher;

(C) Coach for a school athletics program;

(D) School counselor;

(E) School social worker;

(F) School psychologist; and

(G) School nurse.

(b) For each degree program at an institution of higher education in this state that is a prerequisite for licensure or certification in a

profession in which the professional is a child maltreatment mandated reporter under the Child Maltreatment Act, § 12-18-101 et seq., the Department of Higher Education shall coordinate with all the institutions of higher education to ensure that before receiving a degree, each graduate receives the training identified in subdivision (d)(1) of this section.

(c) Licensed school personnel shall obtain the training identified in subsection (d) of this section within twelve (12) months of:

- (1) The individual's initial licensure; and
- (2) All subsequent renewals of the individual's license.

(d)(1) The training required under this section shall include without limitation:

(A) Recognizing the signs and symptoms of child maltreatment;

(B) The legal requirements of the Child Maltreatment Act, § 12-18-101 et seq., and the duties of mandated reporters under the act; and

(C) Methods for managing disclosures regarding child victims.

(2) In addition to the training required under subdivision (d)(1) of this section, licensed school personnel shall obtain training in connecting a victim of child maltreatment to appropriate in-school services and other agencies, programs, and services needed to provide the child with the emotional and educational support the child needs to continue to be successful in school.

(e)(1) The training obtained by licensed school personnel may be obtained as in-person or online training.

(2) The Arkansas Child Abuse/Rape/Domestic Violence Commission shall approve the curriculum for the training.

(3) Licensed school personnel shall document completed training according to the rules of the State Board of Education.

(f) Licensed school personnel may substitute for the required number of hours of staff development on parental involvement plans under § 6-15-1703 an equal number of hours of training obtained under this section.

**History.** Acts 2007, No. 703, § 3; 2009, No. 758, § 7; 2011, No. 1236, § 1.

**A.C.R.C. Notes.** References to "this chapter" in §§ 6-61-101 — 6-61-112, 6-61-125, 6-61-126 and subchapters 2-9 may not apply to this section which was enacted subsequently.

The contingency in Acts 2009, No. 758, § 29, was met by Acts 2009, No. 749.

**Amendments.** The 2009 amendment substituted "Child Maltreatment Act, § 12-18-101 et seq." for "Arkansas Child Maltreatment Act, § 12-12-501 et seq." in the introductory language and (2).

The 2011 amendment rewrote the section heading and the section.

**Effective Dates.** Acts 2009, No. 758, § 29, provided: "Contingent Effectiveness. This act shall not become effective unless an act of the Eighty-Seventh General Assembly repealing the Arkansas Child Maltreatment Act, § 12-12-501 et seq., and enacting a new Child Maltreatment Act, § 12-18-101 et seq., becomes effective."

### **6-61-134. Associate of applied science degree — Mathematics requirement.**

(a) An applicable and appropriate nonremedial mathematics course is:

- (1) An Arkansas Course Transfer System mathematics course with the "MATH" prefix;
- (2) Applied mathematics; or
- (3) A nonremedial mathematics course that satisfies the mathematics component of the associate of applied science degree and has been approved by the:

(A) State-supported institution of higher education offering the associate of applied science degree through the academic review process; and

(B) Department of Higher Education.

(b) Beginning July 2011, state-supported institutions of higher education shall require a college-level nonremedial mathematics course for an associate of applied science degree.

**History.** Acts 2009, No. 1197, § 1.

125, 6-61-126 and subchapters 2-9 may

**A.C.R.C. Notes.** References to "this chapter" in §§ 6-61-101 — 6-61-112, 6-61-

not apply to this section which was enacted subsequently.

### **6-61-135. False academic credential.**

(a) As used in this section "false academic credential" means a document that provides evidence or demonstrates completion of an academic or professional course of study at the post-secondary level that results in the awarding of a certificate, degree, or rank that is issued by an individual or institution that is not:

- (1) Certified under § 6-61-301; or
- (2) Exempt from certification under § 6-61-301.

(b) A person shall not knowingly use a false academic credential for the purpose of:

(1) Obtaining:

(A) Employment;

(B) A license or certificate to practice a trade, profession, or occupation;

(C) A promotion, compensation, or other benefit from an employer;

(D) Admission to an institution of higher education; or

(E) A position in government with authority over another person;

or

(2) Promoting or introducing oneself to others in any oral or written communication as having attained an academic title or a level of academic achievement.

(c) A person who violates this section may be convicted of a Class B misdemeanor and fined up to one thousand dollars (\$1,000).

**History.** Acts 2011, No. 205, § 1.

chapter" in §§ 6-61-101 — 6-61-112, 6-61-

**A.C.R.C. Notes.** References to "this

125, 6-61-126 and subchapters 2-9 may



not apply to this section which was enacted subsequently.

### **6-61-136. Establishment of an accrediting agency.**

An individual shall not establish or operate an accrediting agency in this state without recognition by the United States Department of Education.

**History.** Acts 2011, No. 205, § 1.

**A.C.R.C. Notes.** References to “this chapter” in §§ 6-61-101 — 6-61-112, 6-61-125, 6-61-126 and subchapters 2-9 may not apply to this section which was enacted subsequently.

### **6-61-137. Presentation of expenditure data by state-supported institutions of higher education.**

(a)(1) As used in this section, “expenditure data” means information regarding the spending of public funds that adequately identifies the purpose, amount, payor, and vendor, if such disclosure is permissible under the Arkansas Freedom of Information Act of 1967, § 25-19-101 et seq., and federal laws or regulations.

(2) “Expenditure data” does not include expenses of pending litigation.

(b) A state-supported institution of higher education shall present expenditure data on a website operated by the state-supported institution of higher education.

(c) The website shall:

(1) Be updated on a regular basis to present expenditure data for the current fiscal year and prior year’s annual expenditures, starting with the 2013 fiscal year; and

(2) Retain expenditure data for each state fiscal year, starting with the 2013 fiscal year, until ten (10) years of expenditure data are available, after which the website shall retain at least ten (10) years of expenditure data.

(d)(1) The Department of Higher Education:

(A) May promulgate rules necessary to implement this section; and

(B) Shall develop internal guidelines necessary to implement this section.

(2) The department shall consult with the state-supported institutions of higher education in developing rules and internal guidelines necessary to implement this section.

**History.** Acts 2011, No. 1163, § 1.

**A.C.R.C. Notes.** References to “this chapter” in §§ 6-61-101 — 6-61-112, 6-61-125, 6-61-126 and subchapters 2-9 may not apply to this section which was enacted subsequently.

### 6-61-138. Posthumous degrees.

(a) Each institution of higher education is encouraged to establish a process for awarding a posthumous degree to a student who has died while enrolled in a degree program at the institution of higher education.

(b) A process established by an institution of higher education may include without limitation consideration of the student's:

- (1) Level of completion in his or her degree program;
- (2) Academic status; and
- (3) Personal factors, such as circumstances of death.

(c) The institution of higher education or the parent of a student who died while enrolled in a degree program at an institution of higher education may initiate the process by requesting that a posthumous degree be awarded on the student's behalf.

**History.** Acts 2011, No. 1239, § 1.

**A.C.R.C. Notes.** References to "this chapter" in §§ 6-61-101 — 6-61-112, 6-61-

125, 6-61-126 and subchapters 2-9 may not apply to this section which was enacted subsequently.

## SUBCHAPTER 2 — ARKANSAS HIGHER EDUCATION COORDINATING BOARD

### SECTION.

- 6-61-201. Members — Meetings.
- 6-61-207. Role and scope designations.
- 6-61-210. Allocation of additional state funds.
- 6-61-217. Minimum core courses for college prep.
- 6-61-218. Minimum college core — Transferability.
- 6-61-220. Retention and graduation rate information.
- 6-61-221. Reporting of graduates requiring postsecondary remediation.
- 6-61-222. Uniform reporting standards.
- 6-61-223. [Repealed.]

### SECTION.

- 6-61-224. Funding formula — Department of Higher Education.
- 6-61-225. [Repealed.]
- 6-61-226. Guidelines for course review.
- 6-61-227. Reporting.
- 6-61-228. Creation of funding formula model for universities.
- 6-61-229. Funding formula model for two-year colleges.
- 6-61-230. Review of funding formulas.
- 6-61-231. Statewide transfer agreement.
- 6-61-232. Maximum semester hours required for a degree program.

**Effective Dates.** Acts 2003 (1st Ex. Sess.), No. 25, § 40: July 1, 2003. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2003 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2003 could work irreparable harm

upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2003."

Acts 2007, No. 591, § 2: Mar. 28, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that this act concerns the funding formula for the fiscal year beginning July 1, 2007; that the

changes in this act are necessary to determine the funding for two-year colleges; and that these changes are immediately necessary for the distribution of funds to be in accordance with the revised funding formula. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, Nos. 605 and 606, § 27: Mar. 25, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the people of the State of Arkansas overwhelmingly approved the establishment of lotteries at the 2008 General Election; that lotteries will provide funding for scholarships to the citizens of this state; that the failure to immediately implement this act will cause a reduction in lottery proceeds that will harm the educational and economic success of potential students eligible to receive scholarships under the act; and that the state lotteries should be implemented as soon as possible to effectuate the will of the citizens of this state and implement lottery-funded scholarships as soon as possible. Therefore, an emergency is declared to exist and this act

being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2011, No. 1203, § 8: Apr. 5, 2011. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that there is an increasing need to ensure accountability and efficiency with our limited financial resources in trying economic times; that clarifying the funding mechanisms for state supported institutions of education will allow the limited financial resources to be allocated in a fair and equitable manner; and that this act is immediately necessary because funding for state-supported institutions is necessary for the 2012-2013 academic year. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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## 6-61-201. Members — Meetings.

(a)(1) The Arkansas Higher Education Coordinating Board shall consist of twelve (12) members appointed by the Governor as follows:

(A) Three (3) members shall be selected from the current or recent membership of the boards of public two-year colleges. If the person selected is serving on the membership of the board of a public two-year campus, the person shall relinquish his or her membership on the board;

(B) Three (3) members shall be selected from the current or recent membership of the boards of public four-year colleges or university campuses. If the person selected is serving on the membership of the board of a public four-year campus, the person shall relinquish his or her membership on the board; and



(C) Six (6) members shall be selected from business, industry, education, an agriculturally related industry, and medical services and shall not be current members of a board of a public two-year or four-year campus. At least one (1) of the appointees shall have a strong interest in and commitment to economic and workforce development. At least one (1) of the appointees shall have experience in the knowledge-based technology field.

(2) No more than four (4) members of the board shall be appointed from any one (1) congressional district as the districts exist at the time of the appointment.

(3) No more than two (2) members of the board at any one (1) time shall be graduates of an undergraduate program of any one (1) state university or college.

(b) After the appointment of the initial board, the members to be appointed from recent or current boards of two-year and four-year campuses shall be appointed by the Governor from a list of names submitted by the Presidents Council.

(c) Vacancies on the board shall be filled for the unexpired terms, and the appointments shall be made in the same manner for the positions vacated.

(d)(1) The members of the board shall serve staggered terms of six (6) years. The terms of two (2) members shall expire each year.

(2) The members may serve no more than two (2) terms.

(e) An intensive orientation program designed by the council shall be mandatory for board members.

(f) The board shall annually elect from its membership a chair and other officers necessary to carry on its business.

(g)(1) The board shall meet at least one (1) time during each calendar quarter and at other times upon the call of the chair or of any other four (4) members.

(2) The board shall, at the times that it desires, meet on the campuses of the respective institutions of higher learning in the state.

(h) Members of the board shall serve without compensation but may receive expense reimbursement in accordance with § 25-16-901 et seq.

**History.** Acts 1977, No. 560, §§ 2, 3; 1997, No. 1114, § 2; 1999, No. 1352, § 1; A.S.A. 1947, §§ 80-4902, 80-4903; Acts 2003 (1st Ex. Sess.), No. 25, § 36. 1991, No. 1244, § 4; 1997, No. 250, § 25;

## **6-61-207. Role and scope designations.**

(a)(1) In order to promote a coordinated system of higher education in Arkansas and to assure an orderly and effective development of each of the publicly supported institutions of higher education, the Arkansas Higher Education Coordinating Board shall have the power and duty to establish, in consultation with college and university personnel, appropriate role and scope designations within which boards of trustees must operate the institution or institutions under their jurisdiction.

(2) The board shall establish such role and scope designations by January 1, 1990. The designations may be changed at any time as determined by the board. They shall be fully reviewed at least once every five (5) years.

(3) Prior to their establishment of or making a change in role and scope designations, the board shall carefully study the change in consultation with institutional personnel, announce the intent to consider a change, and publicly reveal the change that is being proposed at a regular quarterly meeting, with the vote to come no sooner than the next regular quarterly meeting.

(b) To assist the board and the Department of Higher Education in their effort to promote a coordinated system of higher education in Arkansas that addresses and responds to the changing economic needs of the state and the new economy, the Arkansas Economic Development Commission shall provide the Department of Higher Education a list of the state's overall and regional economic development goals within ten (10) days of August 12, 2005, and by September 1 of each year thereafter.

(c)(1) The Department of Higher Education may retain the services of consultants or other experts as may be necessary to carry out the review, and the Department of Higher Education staff shall work directly with the consultants to handle the logistics of needed discussion groups, meeting minutes, and recommendation dissemination.

(2) The review process shall include an opportunity for institutions to provide input, as well as a time for public and business comment.

(3) Upon completion of the review, the Department of Higher Education shall provide a report regarding its findings to the board, the Governor, the cochairs of the Legislative Council, and the Director of the Bureau of Legislative Research.

(4) The requirements for a review under this section shall be contingent upon the appropriation and availability of funding for that purpose.

**History.** Acts 1977, No. 560, § 4; 1979, No. 820, § 1; A.S.A. 1947, § 80-4904; Acts 1989, No. 397, § 1; 2005, No. 502, § 1.

### **6-61-210. Allocation of additional state funds.**

(a) The Arkansas Higher Education Coordinating Board is authorized and directed to establish criteria and standards for the allocation of additional state funds provided for such purposes to state-supported institutions of higher learning experiencing enrollment increases greater than were anticipated at the time the board prepared its budget recommendations for allocations of funds to the respective institutions prior to each regular session and fiscal session.

(b)(1) The criteria and standards shall be applicable to all state-supported institutions of higher learning experiencing enrollment growth.

(2) However, with respect to the State Medical Center, the board shall develop criteria and standards for measuring and determining the additional financial support required, within the limitation of funds provided therefor, because of unusual factors which create additional spending responsibilities of the State Medical Center.

(c) The criteria and standards developed by the board for allocating additional financial support to state-supported institutions of higher learning from moneys provided therefor shall be subject to review and approval of the Governor, and the amount to be allocated to each institution shall be upon certification and approval by the Governor.

**History.** Acts 1971, No. 697, § 1; 2009, substituted “regular session and fiscal session” for “biennial legislative session” No. 962, § 6.

**Amendments.** The 2009 amendment in (a).

### 6-61-217. Minimum core courses for college prep.

(a) In order to promote a coordinated system of higher education in Arkansas and to assure an orderly and effective development of each state-supported institution of higher education, the Arkansas Higher Education Coordinating Board, after consultation with the State Board of Education, shall identify a minimum core of high school courses recommended for preparation for college.

(b) The Arkansas Higher Education Coordinating Board shall communicate this information at least annually to public school superintendents, who shall make copies available each year to public school students enrolled in grades seven through twelve (7-12).

(c) The Arkansas Higher Education Coordinating Board may revise the list of high school courses from time to time, as needed.

**History.** Acts 1989, No. 98, § 1; 2011, substituted “for ‘of the publicly supported institutions’ in (a); and substituted ‘Arkansas Higher Education Coordinating Board’ for ‘board’ in (b) and (c).” No. 981, § 16.

**Amendments.** The 2011 amendment substituted “state-supported institution”

### 6-61-218. Minimum college core — Transferability.

To promote a coordinated system of higher education in Arkansas and to assure an orderly and effective development of each of the state-supported institutions of higher education, the Arkansas Higher Education Coordinating Board shall establish in consultation with state-supported institutions of higher education a minimum core of courses which shall apply toward the general education core curriculum requirements for associate and baccalaureate degrees at state-supported institutions of higher education and which shall be fully transferable among all state-supported institutions of higher education.

**History.** Acts 1989, No. 98, § 2; 2011, substituted “(a) Each state-supported institution of higher education shall fully participate in the common course numbering system by July 1, 2013.” No. 747, § 1.

**A.C.R.C. Notes.** Acts 2011, No. 747, § 6: July 27, 2011, provided:



"(b) The Department of Higher Education shall file a report with the General Assembly on the compliance of state-supported institutions of higher education with this subchapter on August 15, 2013."

**Publisher's Notes.** This section may be affected by §§ 6-61-226 and 6-61-227.

**Amendments.** The 2011 amendment substituted the first occurrence of "state-

supported" for "publicly supported," "state-supported institutions of higher education" for "the colleges and universities," "associate and baccalaureate degrees" for "baccalaureate degrees," and "among all state-supported institutions of higher education" for "between state institutions."

### **6-61-220. Retention and graduation rate information.**

(a)(1) Accurate information about the retention and graduation rates of students at state-supported colleges and universities is needed in order for the Arkansas Higher Education Coordinating Board, institutional boards of trustees, the General Assembly, and institutional faculty members and administrators to make informed decisions related to the coordination, governance, financing, and academic policies of higher education in Arkansas.

(2) Special attention to the retention and graduation rates of students who participate in intercollegiate athletics is needed because the percentage of student athletes who graduate is lower than for students who do not participate in athletics at many institutions throughout the nation.

(b)(1)(A) The Department of Higher Education shall, in consultation with the colleges and universities, recommend a system for the collection of information as to the retention and graduation rates of students at state-supported colleges and universities to the board, the Governor, the House Committee on Education, the Senate Committee on Education, and the colleges and universities.

(B) In addition to retention and graduation rates for all students, the report shall also include the retention and graduation rates of all students who participate in intercollegiate athletics.

(2) Except as provided in subsection (c) of this section, officials of state colleges and universities shall provide the information requested by the department to the department by December 1 of each year, beginning in 2000.

(3)(A) For the purpose of analysis by the Bureau of Legislative Research to guide the General Assembly's evaluation of the need for adjustments to eligibility and funding levels for state-supported student financial assistance, the Office of Accountability of the Department of Education shall provide annually to the bureau all individual student demographic and test result data on ACT or ACT equivalent college placement exams.

(B) The office shall provide the data in a database or spreadsheet format that omits personally identifiable information.

(c)(1) Subject to an adequate appropriation for the personnel and equipment necessary to implement the system recommended under subdivision (b)(1) of this section, the department shall collect the information described in subdivision (b)(1) of this section and report its

findings to the board, the Governor, the committees, and the colleges and universities by May 1 of each year, beginning in 2000.

(2) Notwithstanding the provisions of subdivision (c)(1) of this section, colleges and universities shall commence the collection of information as to the retention and graduation rates of all students who participate in intercollegiate athletics beginning in the fall semester of 1989 and shall report this information to the department by December 1 of each year, beginning in 2000.

(d) The board is hereby authorized to promulgate rules and regulations consistent with the intent and purpose of this section.

**History.** Acts 1989, No. 267, §§ 1, 2; 1999, No. 478, § 7; 2009, No. 605, § 8; 2009, No. 606, § 8. **Amendments.** The 2009 amendment by identical acts Nos. 605 and 606 inserted (b)(3).

### **6-61-221. Reporting of graduates requiring postsecondary remediation.**

(a)(1) The Department of Higher Education shall collect information necessary to prepare reports of college achievement of high school graduates from each state-supported institution of higher education.

(2) The Department of Higher Education may contract with appropriate organizations for the preparation of the reports.

(b) The Department of Higher Education and the Office of Accountability of the Department of Education shall work together to develop a compatible system of reporting the number of:

(1) Students who required remediation during their first year of enrollment in a state-supported institution of higher education if the enrollment occurred within two (2) years of graduation from a secondary school in this state;

(2) Students who required remediation and who graduated:

(A) With a 3.0 or higher grade point average on a 4.0 scale; and

(B) From a public high school after completing the:

(i) Program of the minimum core of high school courses recommended for preparation for postsecondary education by the Arkansas Higher Education Coordinating Board and the State Board of Education pursuant to § 6-61-217 known as Smart Core; or

(ii) Non-Smart Core curriculum; and

(3) Attempts it takes a student to pass a postsecondary remedial course, beginning in the 2011-2012 school year.

(c)(1) The compilation report generated by the Department of Higher Education shall not include individual student information if the information is reported in a manner that would identify a particular student.

(2) Any information gathered that identifies a particular student shall be confidential.

(d)(1) The Department of Higher Education shall include the reports developed under this section annually in the Comprehensive Arkansas Higher Education Annual Report and provide an electronic copy to the:

- (A) Department of Education;
- (B) Department of Career Education;
- (C) Arkansas Higher Education Coordinating Board;
- (D) Governor;
- (E) House Committee on Education;
- (F) Senate Committee on Education;
- (G) State Board of Education; and
- (H) School district administrators for each public high school.

(2) The reports developed under this section shall be prepared on or before October 1 each year and include the cost of remediation for each state-supported institution of higher education, which shall be submitted to the Department of Higher Education according to standards developed by the Department of Higher Education and shall include for each state-supported institution of higher education:

- (A) The amount of institutional revenue spent on remediation;
- (B) The total general revenue subsidy spent on remediation;
- (C) The total institutional expenditure for remediation; and
- (D) The general revenue percentage of total expenditures for remediation.

(3) The report required under this subsection shall be separate from the uniform reporting standards report required under § 6-61-222.

**History.** Acts 1991, No. 880, § 1; 1999, No. 508, § 4; 2009, No. 970, § 1; 2011, No. 696, § 2.

**Amendments.** The 2009 amendment rewrote the section.

The 2011 amendment subdivided part of (d)(1) as (d)(1) through (d)(1)(G); substi-

tuted "include the reports developed under this section annually in the Comprehensive Arkansas Higher Education Annual Report and provide an electronic copy" for "provide the reports" in the introductory paragraph of (d)(1); added (d)(1)(H); rewrote (d)(2); and added (d)(3).

## 6-61-222. Uniform reporting standards.

(a)(1) The Arkansas Higher Education Coordinating Board is authorized and directed to establish uniform reporting standards to report biennially all current funds' revenues and expenditures associated with each academic department and, within each department, with the academic programs offered at each state-supported institution of higher education.

(2) Such reports shall be subject to biennial review by the board and House Interim Committee on Education and the Senate Interim Committee on Education.

(3) The reports shall be predicated on the following definitions:

(A) "Academic department" means each organizational and budgetary unit associated with the delivery of instruction, research, and public service activities;

(B) "Academic program" means any program of study leading to a degree or certificate and any other program as defined by the Department of Higher Education;

(C) "Academic department and program revenues" shall include tuition and fees, both undergraduate and graduate, endowments,



gifts and grants, sponsored research, and all other revenues associated with each academic department and with specific academic programs;

(D) "Academic department and program expenditures" shall include all direct and prorated indirect expenses:

(i) Direct expenses include faculty salaries, staff salaries, fringe benefits, scholarships and fellowships, graduate stipends and graduate assistant tuition, student labor, materials and supplies, equipment, travel, and telephone.

(ii) Indirect expenses include central administrative management, institution-wide services, departmental administration, student services, research, indirect cost recovery, public services and information, financial aid, plant operations and maintenance, utilities, debt service, nonmandatory transfers, and all other indirect expenses.

(iii) Total academic department and program expenditures should equal the current funds' expenditures as reported in the institution's financial statement;

(E) "State subsidy" means that within each academic department, any difference between academic program revenues and academic program expenditures shall be determined to be the "state subsidy" of that academic program; and

(F) "Productivity by academic program" means the number of declared majors, the number of undergraduate and graduate student semester credit hours produced, and the number of degrees and certificates conferred in each program.

(4) The board is authorized to promulgate any rules or regulations necessary for the implementation of this section and shall report to the House Interim Committee on Education and the Senate Interim Committee on Education the failure of an institution to comply with the provisions of this section.

(b)(1) By September 15 of each year, all state-supported institutions of higher education shall report academic department and program revenues, expenditures, and productivity utilizing the uniform report established by the board.

(2) The academic department and program report shall identify undergraduate and graduate programs that produce fewer graduates than are required to meet the degree productivity standards set by the board.

(3) The board shall review the institutional reports and submit them to the House Interim Committee on Education and the Senate Interim Committee on Education by January 15 of each odd-numbered year.

(c) The board is further authorized and directed to establish uniform reporting standards to report any other information that may be required to meet any other state or federal statutory or regulatory requirements.

(d) The report required under this section shall be separate from the cost-of-remediation reports required under § 6-61-221.

**History.** Acts 1993, No. 376, §§ 1, 2; 1993, No. 537, §§ 1, 2; 1995, No. 392, § 1; 1997, No. 112, §§ 15, 16; 1999, No. 523, § 1; 2011, No. 696, § 3.

**Amendments.** The 2011 amendment added (d).

### 6-61-223. [Repealed.]

**Publisher's Notes.** This section, concerning funding formula — Arkansas Higher Education Coordinating Board, was repealed by Acts 2011, No. 1203, § 1. The section was derived from Acts 1997, No. 1059, § 15.

### 6-61-224. Funding formula — Department of Higher Education.

(a) The Department of Higher Education, in collaboration with the state college and university presidents and chancellors, shall develop funding formulas consisting of a needs-based component and an outcome-centered component which will, in principle, seek to provide fair and equitable state support to all postsecondary students across the state, regardless of the state institution attended, while at the same time recognizing:

(1) The different needs for lower level, upper level, and graduate level instruction at the various institutions;

(2) The requirements for specialized equipment, labs, and smaller class sizes in some disciplines;

(3) Unique missions such as agricultural extension services, research, medical sciences, workforce development, and public service; and

(4) Growth, economies of scale, and other appropriate factors.

(b)(1) The funding formulas for two-year colleges and universities shall be comprised of a needs-based component under § 6-61-228(b)-(m) and § 6-61-229(b)-(m) and an outcome-centered component.

(2) The outcome-centered component shall constitute twenty-five percent (25%) of funding for two-year colleges and universities by the 2017-2018 school year and shall be phased in at a rate five percent (5%) per year beginning in the 2013-2014 school year.

(3) The needs-based component shall constitute seventy-five percent (75%) of funding for two-year colleges and universities by the 2017-2018 school year.

(c) The outcome-centered component measures shall begin in the 2012-2013 school year but may include outcomes from multiple previous years.

(d)(1) The outcome-centered component shall seek to promote and increase the satisfactory progression, matriculation, and graduation of all students enrolled in two-year colleges and universities.

(2) The department shall consider the unique factors of each two-year college and university when developing the outcome-centered component, including utilizing variables that may be weighted to reinforce the mission of each two-year college and university and provide incentives for increased credential production.

(3) The outcome-centered component may include without limitation:

- (A) End-of-course enrollment;
- (B) Student retention;
- (C) Student progression toward credential completion;
- (D) Number of credentials awarded, including an emphasis on high-demand credentials;
- (E) Student transfer activity;
- (F) Research activity; and
- (G) Number of graduates from underserved populations.

(e) By December 31, 2011, the department shall present the funding formulas approved by the Arkansas Higher Education Coordinating Board, including both the needs-based component and the outcome-centered component, to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor.

(f) It is the intent of the General Assembly that the outcome-centered component of funding formulas for two-year colleges and universities become the primary component for funding purposes.

**History.** Acts 1997, No. 1211, § 25; 2011, No. 1203, § 2.

**Publisher's Notes.** This section may be affected by § 6-61-228.

**Amendments.** The 2011 amendment, in the introductory language of (a), substituted "with the state college and university presidents and chancellors, shall de-

velop" for "with the state college and university Presidents Council to review, revise, and develop" and inserted "consisting of a needs-based component and an outcome-centered component"; rewrote the present introductory language of (b); and added (b)(2), (b)(3), and (c) through (f).

## 6-61-225. [Repealed.]

**Publisher's Notes.** This section, concerning creation of a statewide comprehensive transfer policy, was repealed by

Acts 2011, No. 747, § 2. The section was derived from Acts 2005, No. 672, § 1.

## 6-61-226. Guidelines for course review.

(a)(1) Arkansas public colleges and universities shall submit to the Arkansas Higher Education Coordinating Board an application for courses to be included in the State Minimum Core Curriculum.

(2) Courses shall be reviewed and recommended by a peer review project team established in the discipline.

(b)(1)(A) The Department of Higher Education shall establish peer review project teams composed of faculty members of Arkansas universities and two-year colleges.

(B) The peer review project team for each discipline shall include no fewer than four (4) faculty members equally divided between two-year and four-year institutions who teach in the discipline. Members shall be appointed by a majority vote of the Executive Council.

(2)(A) The peer review project team for each discipline shall review and recommend to the department courses in the applicable discipline to be recommended to the board for inclusion in the curriculum.



(B)(i) Courses not receiving a recommendation by the peer review project team shall receive from the peer review project team suggested improvements or revisions for the course or its application.

(ii) Colleges and universities may resubmit course applications to the peer review project team if the original application is not recommended to the board after appropriate adjustments have been made based on the suggested improvements or revisions from the peer review project team.

**History.** Acts 2005, No. 672, § 2.

§§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1 and 3-9 and

### 6-61-227. Reporting.

All public institutions of higher education and any participating private institutions of higher education shall file a report annually with the Department of Higher Education identifying the number of students who requested transfer credit for a completed course in the State Minimum Core Curriculum but were not given credit.

**History.** Acts 2005, No. 672, § 3.

§§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1 and 3-9 and

### 6-61-228. Creation of funding formula model for universities.

(a)(1) The funding formula model for universities shall serve as a framework for implementing the broad goals of the State of Arkansas and the Arkansas Higher Education Coordinating Board.

(2) The model shall ensure adequate, equitable, and stable funding and be based on reliable and uniform data.

(3) The model shall be simple to understand, sensitive to universities’ differing missions, and responsive to changes within the universities and shall make provisions for special-purpose units.

(4) The model shall hold universities accountable for increasing the educational attainment levels of Arkansas citizens by:

(A) Addressing the state’s economic development and work force needs;

(B) Promoting increased degree production while maintaining a high level of rigor; and

(C) Acknowledging the unique mission of each university and allowing for collaboration and minimal redundancy in degree offerings and competitive research.

(5) The model shall promote a seamless and integrated system of postsecondary education designed to meet the needs of all students.

(6) The model shall address institutional accountability for the quality of instruction and student learning, including remedial instruction.

(b)(1) The model shall determine the funding needs of universities using six (6) student-semester-credit-hour-based expenditure func-

tions, one (1) square-footage-based function for facilities, and two (2) or more special-mission functions.

(2) The model shall also provide for economy or diseconomy of scale for universities with fewer than three thousand five hundred (3,500) full-time-equivalent student enrollment.

(c)(1) The six (6) student-semester-credit-hour-based expenditure functions shall be:

- (A) Teaching salaries;
- (B) Other instructional costs;
- (C) Library costs;
- (D) General institutional support;
- (E) Research; and
- (F) Public service.

(2) The square-footage-based expenditure function shall be for facilities maintenance and operations.

(3) The special missions to receive consideration in the funding formula model shall be universities with a traditional minority mission or a land grant mission, or both.

(d)(1) TEACHING SALARIES. To determine the teaching salary needs of the universities, the student-semester-credit-hour component of each university shall be summarized into four (4) discipline cost categories:

(A) Cost Category I shall include the following instructional discipline classifications:

- (i) English;
- (ii) General studies;
- (iii) Mathematics;
- (iv) Interdisciplinary studies;
- (v) Health-related knowledge;
- (vi) Interpersonal skills;
- (vii) Leisure and recreational activities;
- (viii) Personal awareness;
- (ix) Philosophy;
- (x) Psychology;
- (xi) Public administration; and
- (xii) Social sciences;

(B) Cost Category II shall include:

- (i) Ethnic and cultural studies;
- (ii) Marketing;
- (iii) Communications;
- (iv) Education;
- (v) Languages;
- (vi) Home economics;
- (vii) Law;
- (viii) Biological sciences;
- (ix) Parks and recreation;
- (x) Basic skills;
- (xi) Construction trades;
- (xii) Mechanics;

- (xiii) Precisions;
- (xiv) Production;
- (xv) Transportation; and
- (xvi) Business management;
- (C) Cost Category III shall include:
  - (i) Agriculture;
  - (ii) Conservation;
  - (iii) Architecture;
  - (iv) Communication technologies;
  - (v) Computer and information sciences;
  - (vi) Library science;
  - (vii) Physical sciences;
  - (viii) Science technology;
  - (ix) Visual and performing arts; and
  - (x) Health professions; and
- (D) Cost Category IV shall include:
  - (i) Engineering; and
  - (ii) Engineering-related technology.

(2) A university's annualized student semester credit hours component in each cost category shall be summarized into three (3) instructional levels: undergraduate, graduate, and doctoral to produce a four-by-three (4x3) matrix or table containing the university's student semester credit hours in each cost category and level.

(3)(A) Teaching salary computations shall be determined by dividing each of the twelve (12) cells of the table by the number of student semester credit hours that have been determined by research to be needed to produce a full-time-equivalent faculty member.

(B) Those student semester credit hour standards shall be:

Cost Category	Undergraduate	Graduate	Doctoral
I	645	170	130
II	480	250	145
III	365	160	120
IV	230	102	70

(4)(A) A university's student semester credit hours in each cost category shall be divided by the applicable standards in subdivision (d)(3)(B) of this section to determine the number of full-time-equivalent faculty needed at each of the three (3) instructional levels.

(B)(i) The number of faculty at each instructional level shall be multiplied by an average Southern Regional Education Board faculty salary for a university at that level to ensure that every university receives the same funds for the same discipline and level of student semester credit hours.

(ii) The sum of the teaching salaries at the three (3) instructional levels shall constitute the teaching salaries need of the university.

(e) OTHER INSTRUCTIONAL COSTS. Other instructional costs of the university shall be calculated as an amount equal to forty-five percent (45%) of teaching salaries of the university.



(f) **LIBRARY COSTS.** Library costs shall be calculated as an amount equal to eleven percent (11%) of the sum of the teaching salaries and other instructional costs of the university.

(g) **GENERAL INSTITUTIONAL SUPPORT.** General institutional support of the university shall be calculated as an amount equal to fifty-four percent (54%) of the sum of teaching salaries and other instructional costs of the university.

(h) **RESEARCH.** Research funding of the university shall be calculated as an amount equal to five percent (5%) of the undergraduate teaching salaries need plus twenty-five percent (25%) of graduate teaching salaries plus fifty percent (50%) of doctoral teaching salaries.

(i) **PUBLIC SERVICE.** Public service funding of the university shall be an amount equal to three percent (3%) of teaching salaries of the university.

(j)(1) **FACILITIES MAINTENANCE AND OPERATIONS.** Facilities maintenance and operations funding of the university shall be based upon the university's needed square footage as determined by the Five-Factor Academic Space Prediction Model that considers the discipline and level of the student semester credit hours of each university.

(2) For each year of a biennium, the Arkansas Higher Education Coordinating Board staff shall determine a funding rate per square foot based upon the most recent cost experiences of the universities.

(3) The rate calculated in subdivision (j)(2) of this section shall be multiplied by the university's actual square footage that the space prediction model has determined the university needs.

(4) Excess square footage above the space prediction model's established need shall be funded at a rate determined by the Arkansas Higher Education Coordinating Board staff.

(5) Universities with less square footage than the space prediction model-determined need shall be funded at a rate determined by the Arkansas Higher Education Coordinating Board staff.

(k)(1) **SPECIAL MISSIONS.** A federally designated land grant university shall receive special mission funding in the amount of ten percent (10%) of teaching salaries of the university in recognition of its federally mandated research and public service mission.

(2) The universities with a traditional minority mission shall receive an additional amount equal to fifteen percent (15%) of all student semester credit hours or full-time-equivalent-based portions of the funding formula.

(l)(1) **ECONOMY/DISECONOMY OF SCALE.** The funding formula shall include an economy/diseconomy of scale provision for universities with fewer than three thousand five hundred (3,500) full-time-equivalent student enrollment.

(2) The Arkansas Higher Education Coordinating Board staff in consultation with the presidents and chancellors of the universities shall determine the method of calculation.

(3) [Repealed.]

(m)(1) **FUNDING FORMULA MODEL.** The total expenditure needs of each university shall be determined by adding all of the funding needs determined under subsections (d)-(l) of this section.

(2)(A) Appropriation needs for a university shall be determined by subtracting from the total expenditure needs the tuition and fee revenues.

(B) The Arkansas Higher Education Coordinating Board shall establish biennially a tuition rate per credit hour for universities to be used for funding formula purposes.

(3)(A) This funding formula model is designed to produce educational and general operating funds for universities of higher education that generate student semester credit hours.

(B) This model does not determine the funding needs of special units, such as the medical school, division of agriculture, and system offices.

(4) This model does not provide for capital or personal services recommendations.

(5) This model does not provide funds for institutional scholarships, debt service, or fund transfers.

(6)(A) The revenue domain for the funding formula model shall include only state appropriations and student tuition and fee income and does not include private contributions and other discretionary funds.

(B) The revenue domain shall exclude funding at the universities from all sources other than from state appropriations and student tuition, including, but not limited to, the federal government, private sources, and self-supporting activities.

(C) Since the general definition specifies operating funds, the funding formula model also does not consider the appropriation and allocation of capital funds.

(n)(1) The funding formula model shall be utilized only to allocate funds to the universities.

(2) This funding formula model shall not be used to prescribe the allocation of those funds within the universities.

(o)(1) By December 31, 2011, the Arkansas Higher Education Coordinating Board shall develop an outcome-centered funding formula model that implements the broad goals for the state in subsection (a) of this section and seeks to promote and increase the satisfactory progression, matriculation, and graduation of all students enrolled in state-supported institutions of higher education.

(2) The outcome-centered funding formula model shall take into consideration, at a minimum:

- (A) Course completion;
- (B) Degree completion;
- (C) Critical needs shortage areas;
- (D) Minority students;
- (E) Economically disadvantaged students; and
- (F) Nontraditional students.

(p)(1) Each university's total state funding received shall be calculated at:

(A) Ninety-five percent (95%) under the funding formula model under subsections (b)-(m) of this section and five percent (5%) on the outcome-centered funding formula model for the 2013-2014 school year;

(B) Ninety percent (90%) under the funding formula model under subsections (b)-(m) of this section and ten percent (10%) on the outcome-centered funding formula model for the 2014-2015 school year;

(C) Eighty-five percent (85%) under the funding formula model under subsections (b)-(m) of this section and fifteen percent (15%) on the outcome-centered funding formula model for the 2015-2016 school year; and

(D) Eighty percent (80%) under the funding formula model under subsections (b)-(m) of this section and twenty percent (20%) on the outcome-centered funding formula model for the 2016-2017 school year.

(2) Beginning in the 2017-2018 school year, university funding shall be based seventy-five percent (75%) under the funding formula model under subsections (b)-(m) of this section and twenty-five percent (25%) on the outcome-centered funding formula model.

**History.** Acts 2005, No. 1429, § 1; 2009, No. 797, §§ 1-4; 2011, No. 1203, §§ 3, 4.

**A.C.R.C. Notes.** References to "this chapter" in subchapters 1 and 3-9 and §§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

**Amendments.** The 2009 amendment substituted "a rate determined by the Arkansas Higher Education Coordinating Board staff" for "one-half (½) that rate" in

(j)(4), and substituted "shall be funded at a rate determined by the Arkansas Higher Education Coordinating Board staff" for "will receive one-half (½) the established rate for the additional square footage needed" in (j)(5); substituted "fifteen percent (15%)" for "ten percent (10%)" in (k)(2); deleted (l)(3); and rewrote (m)(2).

The 2011 amendment substituted "framework" for "tool" in (a)(1); inserted (a)(4) through (a)(6); and added (o) and (p).

## **6-61-229. Funding formula model for two-year colleges.**

(a) The funding formula model for two-year colleges shall:

(1) Serve as a framework for implementing the broad goals of the State of Arkansas and the Arkansas Higher Education Coordinating Board;

(2) Be based on reliable and uniform data;

(3) Make provisions for special-purpose units;

(4) Hold two-year colleges accountable for increasing the educational attainment levels of Arkansas citizens by:

(A) Addressing the state's economic development and work-force needs;

(B) Promoting increased certificate and degree production while maintaining a high level of rigor; and



(C) Acknowledging the unique mission of each two-year college and allowing for collaboration and minimal redundancy in degree offerings and certificates;

(5) Promote a seamless and integrated system of postsecondary education designed to meet the needs of all students; and

(6) Address institutional accountability for the quality of instruction and student learning, including remedial instruction.

(b)(1) The model shall determine the funding needs of two-year colleges in four (4) student-semester-credit-hour or full-time-equivalent, student-based expenditure functions, one (1) square-footage-based expenditure function, and one (1) contact hour expenditure function.

(2)(A) The student semester credit hour or full-time equivalent-based expenditure functions shall include:

- (i) Teaching salaries;
- (ii) Academic support;
- (iii) Student services; and
- (iv) Institutional support.

(B) The square footage-based expenditure function shall be designated for facilities maintenance and operations.

(C) Funding for workforce education programs shall be determined from student contact hours.

(c) In order to determine the teaching salaries needs of the two-year colleges, the student semester credit hour shall be summarized into four (4) academic discipline categories based upon the relative costs of academic programs as determined by historical expenditure patterns.

(d) The cost categories shall be designated as general education, technical education, basic skills, and allied health as follows:

(1) General education shall include the following academic disciplines:

- (A) Agriculture business;
- (B) Natural resources;
- (C) Archeology;
- (D) Communications;
- (E) Education;
- (F) Engineering;
- (G) Foreign languages;
- (H) Home economics;
- (I) Law;
- (J) Letters;
- (K) Liberal studies;
- (L) Biology or life sciences, or both;
- (M) Mathematics;
- (N) Interdisciplinary;
- (O) Health;
- (P) Recreation;
- (Q) Philosophy;
- (R) Physical sciences;
- (S) Psychology;

- (T) Public administration;
- (U) Social sciences;
- (V) Transportation;
- (W) Visual arts; and
- (X) Performing arts;

(2) Technical education shall include the following academic disciplines:

- (A) Agriculture;
- (B) Marketing;
- (C) Communications technology;
- (D) Engineering technology;
- (E) Technical education;
- (F) Science technology;
- (G) Protective services;
- (H) Construction trades;
- (I) Mechanics;
- (J) Precision production; and
- (K) Business management;

(3) Basic skills shall include remedial or developmental, or both, student semester credit hours; and

(4) Allied health shall include health professions.

(e)(1) The number of full-time-equivalent faculty needed by a college shall be determined using the established workload standards required to produce a need for one (1) full-time-equivalent faculty member.

(2) The workload standards to produce a full-time-equivalent faculty member shall be:

(A) Six hundred sixty (660) student semester credit hours for general education;

(B) Four hundred eighty (480) student semester credit hours for technical education and basic skills; and

(C) Three hundred sixty (360) student semester credit hours for allied health.

(f)(1) The full-time-equivalent faculty needs of each college shall be determined by dividing the workload standards into the college's student semester credit hours in that cost category.

(2) Funding for teaching salaries for each college shall be determined by multiplying the total or full-time-equivalent faculty needs of each college by the predicted Southern Regional Education Board average salary for two-year colleges with no academic rank.

(3) The teaching salary funding shall be adjusted for the use of part-time faculty or full-time-equivalent faculty needs generated by student semester credit hours taught by part-time faculty and shall be funded at one-half (1/2) of the rate of those student semester credit hours taught by full-time faculty members.

(4) The part-time faculty adjustment for each college will be determined each biennium by the Department of Higher Education staff.

(5) The fringe benefits for teaching salaries shall be determined by multiplying the teaching salaries funding by the current average fringe

benefit rate, which shall be determined for the biennium by the department staff.

(6) The total teaching salaries needs of a college shall include the fringe benefits and teaching salary needs.

(g)(1) Funding needs for the academic support functions shall be equal to sixty percent (60%) of adjusted teaching salaries plus thirty-five thousand dollars (\$35,000) for a staff salary in public service.

(2) Fringe benefits for academic support shall be determined by multiplying the fringe benefit rate determined for the biennium by sixty percent (60%) of the academic support funding described in subdivision (g)(1) of this section.

(h)(1) The funding needs for student services shall be calculated based on a variable rate per student using the mean of full-time-equivalent enrollment and headcount enrollment.

(2) Student services funding shall include an economy-of-scale component that will provide progressively less funding per student over established enrollment levels.

(3) For the 2005-2007 biennium, student services funding for the first seven hundred fifty (750) students shall be funded at a higher rate to be determined each biennium; the next two thousand two hundred fifty (2,250) students shall be funded at a lesser rate; and all students in excess of a three thousand (3,000) full-time-equivalent enrollment level shall be funded at a lower rate.

(4) The funding rates for each level shall have a full-time-equivalent enrollment level that shall be adjusted biennially for inflation.

(5) Full-time-equivalent enrollment levels shall be reviewed annually to determine whether they require adjustment.

(6) Fringe benefits for student services shall be calculated as an amount equal to the biennial fringe benefit rate multiplied by sixty percent (60%) of the calculated student services funding needs under subdivision (h)(3) of this section.

(i) Institutional support funding shall be as follows based on the college's full-time-equivalent student enrollment:

(1) For one thousand (1,000) or fewer students enrolled, an amount equal to twenty-one percent (21%) of the total teaching salaries, academic support, student services, and facilities maintenance and operations;

(2) For one thousand one (1,001) to three thousand (3,000) students enrolled, an amount equal to eighteen percent (18%) of the total of the teaching salaries, academic support, student services, and facilities maintenance and operations;

(3) For more than three thousand (3,000) students enrolled, an amount equal to fifteen percent (15%) of the total teaching salaries, academic support, student services, and facilities maintenance and operations.

(j)(1) Facilities maintenance and operations funding shall be based upon each college's square footage needs as determined by the Space Need Model that determines need based on the college's full-time



equivalent enrollment and the mix of academic programs that the college offers.

(2)(A) For each year of the biennium, the Arkansas Higher Education Coordinating Board shall determine a funding rate per square foot based on the most recent cost experiences of the college.

(B) That rate shall be multiplied by the college's actual square footage that does not exceed one hundred fifty percent (150%) of the Space Need Model's determined need of the college.

(C) Square footage in excess of one hundred fifty percent (150%) of the Space Need Model's determined need of the college shall be funded at a lower rate.

(D) Colleges with a deficit in square footage as defined by the Space Need Model will have the square footage shortfall partially funded to compensate for the intensity of the use of the facilities.

(k) Funding for workforce education shall be based on contact hours and shall be calculated by using an established rate for the first ten thousand (10,000) contact hours, a lesser rate for the next ten thousand (10,000), and a lesser rate for all noncredit contact hours in excess of twenty thousand (20,000).

(l) The total expenditure needs of each college shall be equal to the sum of teaching salaries, academic support, student services, institutional support, facilities maintenance and operations, and workforce education.

(m)(1) The appropriation needs of each college shall be the total expenditure needs of the college less the calculated tuition and fee income.

(2) The Arkansas Higher Education Coordinating Board shall establish biennially a tuition rate per credit hour for two-year colleges with revenue derived from a local tax, including, but not limited to, a sales tax or an ad valorem tax, and a higher per credit hour tuition rate for those colleges without revenue derived from a local tax.

(n)(1) The formula does not provide funds for institutional scholarships, debt service, or fund transfers.

(2) The revenue domain for the funding model shall include only state appropriations and student tuition and fee income and shall not include private contributions and other discretionary funds.

(3) The revenue domain shall exclude funding at the colleges from all sources other than from student tuition and state appropriations, including, but not limited to, local tax levies, the federal government, private sources, and self-supporting activities.

(4) Since the general definition specifies operating funds, the funding model also does not consider the appropriation and allocation of capital funds.

(o)(1) The funding formula model shall only be utilized to allocate funds to the two-year colleges.

(2) It shall not be used to prescribe the allocation of those funds within the colleges.

(p)(1) By December 31, 2011, the Arkansas Higher Education Coordinating Board shall develop an outcome-centered funding formula

model that implements the broad goals for the state in subsection (a) of this section and seeks to promote and increase the satisfactory progression, matriculation, and graduation of all students enrolled in state-supported institutions of higher education.

(2) The outcome-centered funding formula model shall take into consideration at a minimum:

- (A) Course completion;
- (B) Certificate and degree completion;
- (C) Critical needs shortage areas;
- (D) Minority students;
- (E) Economically disadvantaged students; and
- (F) Nontraditional students.

(q)(1) Each two-year college's total state funding received shall be calculated at:

(A) Ninety-five percent (95%) under the funding formula model under subsections (b)-(m) of this section and five percent (5%) on the outcome-centered funding formula model for the 2013-2014 school year;

(B) Ninety percent (90%) under the funding formula model under subsections (b)-(m) of this section and ten percent (10%) on the outcome-centered funding formula model for the 2014-2015 school year;

(C) Eighty-five percent (85%) under the funding formula model under subsections (b)-(m) of this section and fifteen percent (15%) on the outcome-centered funding formula model for the 2015-2016 school year; and

(D) Eighty percent (80%) under the funding formula model under subsections (b)-(m) of this section and twenty percent (20%) on the outcome-centered funding formula model for the 2016-2017 school year.

(2) Beginning in the 2017-2018 school year, two-year college funding shall be based seventy-five percent (75%) under the funding formula model under subsections (b)-(m) of this section and twenty-five percent (25%) on the outcome-centered funding formula model.

**History.** Acts 2005, No. 1760, § 1; 2007, No. 591, § 1; 2011, No. 1203, §§ 5, 6.

**A.C.R.C. Notes.** References to "this chapter" in subchapters 1 and 3-9 and §§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

**Amendments.** The 2007 amendment substituted "Three hundred sixty (360)" for "Four hundred twenty (420)" in (e)(2)(C); in (h)(3), substituted "funded at a higher rate to be determined each bien-

nium" for "six hundred fifty dollars (\$650); four hundred fifty dollars (\$450) for each of," inserted "shall be funded at a lesser rate," deleted "two hundred fifty dollars (\$250) for" preceding "all students," and added "shall be funded at a lower rate"; and rewrote (i) and (j).

The 2011 amendment substituted "framework" for "tool" in (a)(1); deleted former (a)(3) and redesignated the remaining subdivision accordingly; inserted (a)(4) through (a)(6); rewrote (p); and added (q).

### 6-61-230. Review of funding formulas.

The Arkansas Higher Education Coordinating Board shall review the funding formulas set forth in this subchapter biennially and make written recommendations for appropriate modifications or changes to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor by October 15 of the year prior to each regular session of the General Assembly.

**History.** Acts 2005, No. 1760, § 2; 2007, No. 827, § 119; 2011, No. 1203, § 7.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1 and 3-9 and §§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

**Amendments.** The 2007 amendment substituted “formulas” for “formula” in

the section heading, and substituted “formulas set forth in this subchapter” for “formula.”

The 2011 amendment deleted “in collaboration with the Executive Council of the Presidents Council” following “The Arkansas Higher Education Coordinating Board.”

### 6-61-231. Statewide transfer agreement.

(a) As used in this section:

(1) “Designated transfer degree” means one (1) of the following associate degrees that is eligible for the full transfer under this section of credits earned and hours completed:

- (A) Associate of arts;
- (B) Associate of science; or
- (C) Associate of arts in teaching;

(2) “Lower-division credits” means freshman and sophomore level course credits;

(3) “Public institution of higher education” means an Arkansas state-supported two-year or four-year college or university;

(4)(A) “State minimum core curriculum” means sixty (60) semester hours of lower-division coursework that include the thirty-five-hour general education core, major program prerequisites, and elective requirements that satisfy the requirements of an associate of arts degree, an associate of science degree, an associate of arts in teaching degree, and selected baccalaureate degrees at all public institutions of higher education as determined by the Arkansas Higher Education Coordinating Board.

(B) The board, in collaboration with state-supported institutions of higher education, shall select the baccalaureate degree programs of study that shall be included in the state minimum core curriculum based on the demand for the program of study, both in terms of the number of students enrolled in the program of study and the need for students to enroll in a program of study to meet the economic development needs of the state.

(C) The completed state minimum core curriculum may vary for each student depending on his or her program of study; and

(5) “Transfer student” means a student transferring from a completed designated transfer degree program or a completed state mini-



minimum core curriculum to a baccalaureate program at a four-year public institution of higher education.

(b)(1) The purpose of this section is to eliminate obstacles to transfers of credits among public institutions of higher education in Arkansas by providing a seamless transfer of academic credits from a completed designated transfer degree program or a completed state minimum core curriculum to a baccalaureate degree program without the loss of earned credits and without the receiving public institution of higher education requiring additional lower-division general education credits.

(2) All public institutions of higher education shall provide comprehensive academic advising to all students regarding transfer options available under this section.

(c) The board shall develop a statewide transfer agreement that:

(1) Designates the following as transfer degrees at public institutions of higher education in Arkansas:

- (A) Associate of arts;
- (B) Associate of science; and
- (C) Associate of arts in teaching;

(2) Requires a four-year public institution of higher education to accept all hours completed and credits earned for a designated transfer degree or a completed state minimum core curriculum upon a student's transfer to a baccalaureate degree program at the four-year public institution of higher education;

(3) Contains the transfer curriculum for each designated transfer degree that is approved by the board under subsection (d) of this section;

(4)(A) Requires a four-year public institution of higher education to admit a transfer student to junior status in a baccalaureate degree program at the four-year public institution of higher education.

(B)(i) A four-year public institution of higher education receiving a transfer student shall not require additional lower-division credits for the transfer student if the additional course is considered a general education lower-division course.

(ii) The receiving four-year public institution of higher education may only require the additional lower-division course if the additional lower division course is:

(a) A prerequisite for courses in the transfer student's baccalaureate degree program;

(b) A discipline-specific course that is required by the transfer student's baccalaureate degree program and the student has not completed a course at the two-year public institution of higher education that is comparable to the discipline-specific course at the four-year public institution of higher education in the Arkansas Course Transfer System; or

(c) A requirement of an independent licensing or accrediting body.

(C) This subsection does not remove the requirement that a transfer student must meet total baccalaureate degree program

credit-hour and course requirements in order to be eligible for a baccalaureate degree.

(D) The receiving four-year public institution of higher education shall determine whether to accept a grade of "D" for academic course credit for a student transferring from a public institution of higher education; and

(5)(A) Allows public institutions of higher education to develop transfer guidelines and articulation agreements for degree programs not otherwise covered under this section.

(B) Transfer guidelines are only for the purpose of student advising and do not exempt a four-year public institution of higher education from the requirements of subdivision (c)(4) of this section.

(d)(1) The board, with the assistance and cooperation of the public institutions of higher education, shall develop:

(A) A transfer curriculum for each designated transfer degree;

(B) Policies and procedures for reviewing and updating the statewide transfer agreement; and

(C)(i) Policies and procedures for the Department of Higher Education to collect data from public institutions of higher education to ensure that:

(a) All public institutions of higher education comply with this section; and

(b) The statewide transfer agreement is fostering both a seamless transfer process and the academic success of transfer students at Arkansas public institutions of higher education.

(ii) The department shall determine annually the data to be collected and shall establish by rule the procedures for a public institution of higher education to provide the data requested.

(2) The board, in collaboration with public institutions of higher education and faculty advisory panels of public institutions of higher education, shall identify:

(A) Degree programs offered by public institutions of higher education;

(B) Postsecondary career education programs offered by two-year public institutions of higher education, including those designated as college-credit courses applicable toward a certificate or degree;

(C) Courses that meet the thirty-five-hour general education core requirements within the subject areas of communication, mathematics, social sciences, humanities, and natural sciences that shall be accepted at all public institutions of higher education as general education courses;

(D) Lower-division courses offered by four-year public institutions of higher education accepted for credit toward a degree and identify those courses as either general education or required as a prerequisite for a degree; and

(E)(i) Common prerequisite courses and course substitutions for degree programs across all public institutions of higher education.

(ii) Required thirty-five-hour general education core courses shall be offered and accepted by all public institutions of higher education.

(3) All public institutions of higher education shall collaborate to form four-year faculty advisory panels and two-year faculty advisory panels that recommend major program prerequisites, course substitutions, and elective requirements for programs of study that shall be included in the state minimum core curriculum.

(e)(1) The board shall publish an Internet-based student manual that identifies the state minimum core curriculum and describes how the state minimum core curriculum transfers to other public institutions of higher education within Arkansas.

(2) General information concerning the state minimum core curriculum, including the web-page link, shall be published in all versions of course catalogs of all public institutions of higher education.

(f)(1) The state minimum core curriculum shall be fully implemented no later than July 1, 2012.

(2) A public institution of higher education that is not in full compliance with this section shall not be eligible to accept state aid from the Higher Education Grants Fund Account on behalf of a student.

**History.** Acts 2009, No. 182, § 1; 2011, No. 747, § 3.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1 and 3-9 and §§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

Acts 2011, No. 747, § 6: July 27, 2011, provided:

“(a) Each state-supported institution of higher education shall fully participate in the common course numbering system by July 1, 2013.

“(b) The Department of Higher Education shall file a report with the General Assembly on the compliance of state-supported institutions of higher education with this subchapter on August 15, 2013.”

**Amendments.** The 2011 amendment inserted present (a)(4) and redesignated former (a)(4) as (a)(5); and inserted “or a completed state minimum core curriculum” in (a)(5), (b)(1), and (c)(2); substituted “lower-division general education credits” for “lower division credits” in (b)(1); added (b)(2); substituted “The board” for “By January 1, 2010, the Arkansas Higher Education Coordinating Board” in (c); deleted “(c)” following “This subsection” in (c)(4)(C); deleted “two-year” following “transferring from a” in (c)(4)(D); rewrote (c)(5); redesignated the introductory paragraph of (d) as present (d)(1) and redesignated the remaining subdivisions accordingly; inserted present (d)(2) and (3); and added (e) and (f).

### **6-61-232. Maximum semester hours required for a degree program.**

(a)(1) An associate degree program shall require no more than sixty (60) semester hours of lower-division college credit, which may be satisfied by completing the state minimum core curriculum under § 6-61-231.

(2) An associate degree program may require more than sixty (60) semester hours of lower-division college credit if prior approval has been granted by the board of trustees of the state-supported institution of higher education and the Arkansas Higher Education Coordinating Board.

(b)(1) A baccalaureate degree program shall require no more than one hundred twenty (120) semester hours of college credit, which shall include the state minimum core curriculum under § 6-61-231.



(2) A baccalaureate degree program may require more than one hundred twenty (120) semester hours of college credit if:

(A) Prior approval has been granted by the board of trustees of the state-supported four-year institution of higher education and the Arkansas Higher Education Coordinating Board; or

(B) It is a requirement of an independent licensing or accrediting body.

(c) All required coursework shall count toward the associate of arts degree, associate of science degree, associate of arts in teaching degree, or selected baccalaureate degrees.

**History.** Acts 2011, No. 747, § 4.

§§ 6-61-201 — 6-61-221 may not apply to this section, which was enacted subsequently.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1 and 3-9 and

### SUBCHAPTER 3 — ESTABLISHMENT AND EXPANSION

#### SECTION.

6-61-301. Incorporation generally.

#### 6-61-301. Incorporation generally.

(a)(1)(A) An individual shall incorporate under the applicable laws of the state and receive certification from the Arkansas Higher Education Coordinating Board before offering educational coursework leading to a degree or before establishing a postsecondary educational institution unless the institution is a:

- (i) State-supported institution of higher education;
- (ii) School under § 6-51-601 et seq.;
- (iii) School exempt from § 6-61-301 et seq.; or
- (iv) School regulated by the State Board of Cosmetology.

(B) A postsecondary education institution located in another state first shall obtain certification from the Arkansas Higher Education Coordinating Board before offering a course or degree in this state unless the institution is a:

- (i) School under § 6-51-601 et seq.;
- (ii) School exempt from § 6-61-301 et seq.; or
- (iii) School regulated by the State Board of Cosmetology.

(C) A postsecondary education institution in this state shall first obtain certification from the Arkansas Higher Education Coordinating Board before offering courses that lead to a degree that is customarily granted by colleges or universities.

(2) State-supported vocational and technical schools, institutions covered under § 6-51-601 et seq., or institutions regulated by the State Board of Cosmetology shall obtain approval for programs in which a degree could be granted from both the Arkansas Higher Education Coordinating Board and the State Board of Education.

(3) Nonpublic, not-for-profit colleges and universities currently incorporated, recognized by the Arkansas Higher Education Coordinating Board as Arkansas independent institutions of higher education, and

operating under the applicable laws of this state shall not be required to receive certification from the Arkansas Higher Education Coordinating Board or to receive licensure from the Arkansas State Board of Private Career Education.

(b)(1) The Arkansas Higher Education Coordinating Board shall establish the criteria required for certification and may promulgate rules to carry out the provisions of this chapter.

(2) The Arkansas Higher Education Coordinating Board shall not grant certification to an individual or postsecondary education institution under subdivision (a)(1) of this section unless the individual or postsecondary education institution is:

(A) Accredited by an entity recognized by the United States Department of Education;

(B) Accredited by an entity recognized by the Council for Higher Education Accreditation;

(C) A candidate for accreditation from an entity recognized by the United States Department of Education or the Council for Higher Education Accreditation during the institutional planning and development period; or

(D) An applicant for accreditation from an entity recognized by the United States Department of Education or the Council for Higher Education Accreditation during the institutional planning and development application process.

(c) An individual or postsecondary institution that operates in the state without certification from the Arkansas Higher Education Coordinating Board as required under subsection (a) of this section shall be guilty of a Class B misdemeanor.

(d)(1) To secure legal existence by act of incorporation, the individuals desiring to become a corporation as trustees of a college, university, or other postsecondary institution shall prepare a charter for the proposed institution and shall present the charter to the Arkansas Higher Education Coordinating Board.

(2) If the Arkansas Higher Education Coordinating Board determines that the charter is in accordance with the provisions of the laws of the State of Arkansas and the rules and regulations of the Arkansas Higher Education Coordinating Board, the Arkansas Higher Education Coordinating Board shall issue to the trustees a certificate appended to a copy of the charter with the Great Seal of the State of Arkansas attached.

(3) The certificate shall state that the accompanying charter is granted to the trustees, that they have complied with the provisions of law, and that they are thereby constituted the board of directors of that institution and invested with all powers prescribed in the charter.

(4) A copy of the charter and certificate shall be filed with the Secretary of State and recorded by him or her in a book to be kept for the purpose.

(5) The Arkansas Higher Education Coordinating Board shall have the power, after giving thirty (30) days' notice in writing to the trustees

to show cause why such action should not be taken, to revoke any certification issued by the Arkansas Higher Education Coordinating Board whenever the Arkansas Higher Education Coordinating Board shall find, after proper investigation, that the institution is conferring degrees or diplomas without requiring sufficient work therefor or is in violation of any of the provisions of the laws of this state or the regulations of the Arkansas Higher Education Coordinating Board relative thereto.

**History.** Acts 1911, No. 375, § 9; 1975, No. 903, §§ 1-6; 1977, No. 560, § 5; A.S.A. 1947, § 80-4905; Acts 2005, No. 1994, § 388; 2011, No. 205, § 2.

**Amendments.** The 2011 amendment rewrote (a) and present (b)(1); inserted (b)(2); and rewrote (c).

SUBCHAPTER 5 — COMMUNITY COLLEGES GENERALLY

SECTION.	SECTION.
6-61-512. Formation of district — Election — Date.	6-61-532. Arkansas Heavy Equipment Operator Training Academy — Operation.
6-61-520. Local boards — Establishment — Members. [Effective until October 2, 2011.]	6-61-533. Arkansas Heavy Equipment Operator Training Academy — Funding.
6-61-520. Local boards — Establishment — Members. [Effective October 2, 2011.]	6-61-534. Southeast Arkansas College — Priorities.
6-61-525. Housing allowance.	
6-61-531. Arkansas Heavy Equipment Operator Training Academy — Establishment.	

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 35, provided: “COOPERATION AGREEMENTS. Any two-year institution of Higher Education that has its main or a satellite campus located within a twenty five mile radius of any four-year institution of higher education shall enter into a written agreement with that four-year institution which must address duplication of services between the institutions.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

**Effective Dates.** Acts 2005, No. 1010, § 2: Mar. 18, 2005. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that the failure of the Arkansas Heavy Equipment Operator Training Academy as a single-source academy under the University of Arkansas at Monticello could result in the academy’s inability to finish training its currently enrolled students; that the changes in this act are essential

to the continued efficient operation of the academy. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

Acts 2007, No. 819, § 4: Apr. 2, 2007. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that the failure of the Arkansas Heavy Equipment Operator Training Academy as a single-source academy under the University of Arkansas at Monticello could result in the academy’s inability to finish training its currently enrolled students; and that the changes in this act are immediately necessary for the



continued efficient operation of the academy. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1480, § 117: Apr. 10, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that this act makes various revisions to Arkansas election laws that are designed to improve the administration of elections and special elections and that these revisions should be implemented as soon as possible so that the citizens of this state may benefit from improved election procedures. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the

Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2011, No. 1082, § 8: July 1, 2011. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2011 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2011 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2011."

Acts 2011, No. 1185, § 21: Oct. 2, 2011.

## 6-61-512. Formation of district — Election — Date.

The date of the election shall be set by the Secretary of State in accordance with § 7-11-201 et seq.

**History.** Acts 1977, No. 560, § 11; A.S.A. 1947, § 80-4911; Acts 2005, No. 2145, § 8; 2007, No. 1049, § 10; 2009, No. 1480, § 10.

**Amendments.** The 2007 amendment rewrote the section.

The 2009 amendment substituted "§ 7-11-201 et seq." for "§ 7-5-103(b)."

## 6-61-520. Local boards — Establishment — Members. [Effective until October 2, 2011.]

(a) The local control of each community college shall be vested in a local board composed of nine (9) members who are residents and qualified electors of the community college district.

(b)(1) All members shall be elected for terms of six (6) years by the qualified electors of the community college district at the general election immediately preceding the expiration of the expiring terms, and the newly elected members shall take office on January 1 next following the date of their election.

(2)(A) However, the election shall be held at the annual school election if the community college district is composed solely of one (1)

or two (2) entire school districts, other than any portion of the school district that is in another county, and whose boundary is contiguous with that portion of the school district that is located in the county in which the community college is located.

(B)(i) For those elections held at the annual school election under subdivision (b)(2)(A) of this section, if no more than one (1) person files as a candidate for membership on the local board and the question of the rate of millage to be levied for the support of the community college district is not on the ballot, the local board, by resolution, may request that the county board of election commissioners open no polling places on election day so that the election shall be conducted by absentee ballot and early voting only.

(ii) If an election held at the annual school election under subdivision (b)(2)(A) of this section is conducted by absentee ballot and early voting only:

(a) The election shall be conducted on a ballot separate from the ballot for the annual school election; and

(b) The local board of the community college shall reimburse the county for the cost of conducting the election by absentee ballot and early voting. The community college shall pay the expenses of the election out of its general operation funds under § 6-61-601.

(c)(1) Candidates for membership on the local board shall run by position and shall be elected on a nonpartisan basis, and there shall be no mark or designation on the ballot indicating the party affiliation of the candidates. The names of the candidates for each position shall be arranged alphabetically on the ballot.

(2) Any person desiring to be a candidate for a position on the local board shall, not later than 12:00 noon of the seventieth day prior to the general or annual school election at which the position on the board is to be filled, file a notarized statement of such candidacy with the county clerk of each county of which any portion is in the community college district, in substantially the following form:

“State of Arkansas  
County of .....

I, ....., being first duly sworn, state that I reside at .....; that I am a resident and qualified elector of ..... community college district; that I am a candidate for the office of position No. .... on the local board of such community college, and I hereby request that my name be placed on the ballot as a candidate for such position at the coming general or annual school election.

(Signed) .....

Subscribed and sworn to before me this .... day of ....., 20....

(Signed) \_\_\_\_\_

Notary Public”

(3) At the time of filing the statement of candidacy, the candidate shall pay a ballot fee of three dollars (\$3.00) and shall file a petition containing the signatures of at least fifty (50) qualified electors of the

district, requesting that the name of such person be placed on the ballot as a candidate for the position on the local board.

(4)(A) The county board of election commissioners of each county of which a portion is a part of the community college district shall certify the results of the election in that county to the local board of the community college.

(B) The local board of the community college shall officially canvass the returns, declare the candidate elected for each position, and make a record of the election upon its minutes.

(5) The candidate receiving the highest number of votes for each position on the local board to be filled at the election shall be elected to fill the particular position, and it shall not be necessary that the person elected receive a majority of all votes cast for all candidates for such position.

(d)(1) Vacancies on any local board due to death, resignation, or other causes shall be filled by appointment of the Governor.

(2) When the term of office in which the vacancy occurs expires on December 31 of the year in which the next general or annual school election is to be held, the person appointed by the Governor shall serve the remainder of the unexpired term.

(3) When the term of office in which the vacancy occurs extends beyond December 31 of the year in which the next general or annual school election is to be held, the person appointed by the Governor shall serve only until the general or annual school election, at which election a person shall be elected by the qualified electors of the district to fill the remainder of the unexpired term.

(4) When a vacancy occurs, the local board shall officially recognize that the vacancy exists, enter the recognition of the vacancy upon its minutes, and notify the Governor, requesting that he or she make an appointment to fill the vacancy as provided by law.

(5) The Governor shall officially notify the local board of his or her appointment of the new member, which the local board shall enter upon its minutes.

**History.** Acts 1977, No. 560, § 10; A.S.A. 1947, § 80-4910; Acts 1993, No. 981, § 1; 1999, No. 470, § 1; 2009, No. 1480, § 11; 2011, No. 890, § 1.

**Publisher's Notes.** For text of section effective October 2, 2011, see the following version.

**Amendments.** The 2009 amendment,

in the introductory language of (c)(2), substituted "not later than noon of the seventieth day" for "not less than forty-five (45) days" and substituted "clerk" for "board of election commissioners."

The 2011 amendment substituted "one (1) or two (2)" for "one (1) or more" in present (b)(2)(A); and added (b)(2)(B).

## **6-61-520. Local boards — Establishment — Members. [Effective October 2, 2011.]**

(a) The local control of each community college shall be vested in a local board composed of nine (9) members who are residents and qualified electors of the community college district.



(b)(1) All members shall be elected for terms of six (6) years by the qualified electors of the community college district at the general election immediately preceding the expiration of the expiring terms, and the newly elected members shall take office on January 1 next following the date of their election.

(2)(A) However, the election shall be held at the annual school election if the community college district is composed solely of one (1) or two (2) entire school districts, other than any portion of the school district that is in another county, and whose boundary is contiguous with that portion of the school district that is located in the county in which the community college is located.

(B)(i) For those elections held at the annual school election under subdivision (b)(2)(A) of this section, if no more than one (1) person files as a candidate for membership on the local board and the question of the rate of millage to be levied for the support of the community college district is not on the ballot, the local board, by resolution, may request that the county board of election commissioners open no polling places on election day so that the election shall be conducted by absentee ballot and early voting only.

(ii) If an election held at the annual school election under subdivision (b)(2)(A) of this section is conducted by absentee ballot and early voting only:

(a) The election shall be conducted on a ballot separate from the ballot for the annual school election; and

(b) The local board of the community college shall reimburse the county for the cost of conducting the election by absentee ballot and early voting. The community college shall pay the expenses of the election out of its general operation funds under § 6-61-601.

(c)(1) Candidates for membership on the local board shall run by position and shall be elected on a nonpartisan basis, and there shall be no mark or designation on the ballot indicating the party affiliation of the candidates. The names of the candidates for each position shall be arranged alphabetically on the ballot.

(2) Any person desiring to be a candidate for a position on the local board shall, not later than 12:00 noon of the seventieth day prior to the annual school election at which the position on the board is to be filled or the eighty-first day before the general election at which the position on the board is to be filled, file a notarized statement of such candidacy with the county clerk of each county of which any portion is in the community college district, in substantially the following form:

“State of Arkansas  
County of .....

I, ....., being first duly sworn, state that I reside at .....; that I am a resident and qualified elector of ..... community college district; that I am a candidate for the office of position No. .... on the local board of such community college, and I hereby request that my name be placed on the ballot as a candidate for such position at the coming general or annual school election.

(Signed) .....

Subscribed and sworn to before me this .... day of ....., 20....

(Signed) \_\_\_\_\_  
Notary Public”

(3) At the time of filing the statement of candidacy, the candidate shall pay a ballot fee of three dollars (\$3.00) and shall file a petition containing the signatures of at least fifty (50) qualified electors of the district, requesting that the name of such person be placed on the ballot as a candidate for the position on the local board.

(4)(A) The county board of election commissioners of each county of which a portion is a part of the community college district shall certify the results of the election in that county to the local board of the community college.

(B) The local board of the community college shall officially canvass the returns, declare the candidate elected for each position, and make a record of the election upon its minutes.

(5) The candidate receiving the highest number of votes for each position on the local board to be filled at the election shall be elected to fill the particular position, and it shall not be necessary that the person elected receive a majority of all votes cast for all candidates for such position.

(d)(1) Vacancies on any local board due to death, resignation, or other causes shall be filled by appointment of the Governor.

(2) When the term of office in which the vacancy occurs expires on December 31 of the year in which the next general or annual school election is to be held, the person appointed by the Governor shall serve the remainder of the unexpired term.

(3) When the term of office in which the vacancy occurs extends beyond December 31 of the year in which the next general or annual school election is to be held, the person appointed by the Governor shall serve only until the general or annual school election, at which election a person shall be elected by the qualified electors of the district to fill the remainder of the unexpired term.

(4) When a vacancy occurs, the local board shall officially recognize that the vacancy exists, enter the recognition of the vacancy upon its minutes, and notify the Governor, requesting that he or she make an appointment to fill the vacancy as provided by law.

(5) The Governor shall officially notify the local board of his or her appointment of the new member, which the local board shall enter upon its minutes.

**History.** Acts 1977, No. 560, § 10; A.S.A. 1947, § 80-4910; Acts 1993, No. 981, § 1; 1999, No. 470, § 1; 2009, No. 1480, § 11; 2011, No. 890, § 1; 2011, No. 1185, § 2.

**Publisher’s Notes.** For text of section effective until October 2, 2011, see the preceding version.

**Amendments.** The 2009 amendment,

in the introductory language of (c)(2), substituted “not later than noon of the seventieth day” for “not less than forty-five (45) days” and substituted “clerk” for “board of election commissioners.”

The 2011 amendment by No. 890 substituted “one (1) or two (2)” for “one (1) or more” in present (b)(2)(A); and added (b)(2)(B).

The 2011 amendment by 1185, in the introductory language of (c)(2), deleted “general or” preceding “annual school election” and inserted “or the eighty-first

day before the general election at which the position on the board is to be filled.”

**Effective Dates.** Acts 2011, No. 1185, § 21: Oct. 2, 2011.

### 6-61-525. Housing allowance.

Upon approval by the appropriate community college or technical college board of trustees, the president or the chancellor of each community college or technical college may receive a housing allowance in an amount not to exceed one thousand five hundred dollars (\$1,500) per month in lieu of college housing.

**History.** Acts 1989 (1st Ex. Sess.), No. 37, § 5; 1989 (1st Ex. Sess.), No. 48, § 5; 1989 (1st Ex. Sess.), No. 130, § 5; 1989 (1st Ex. Sess.), No. 203, § 5; 1989 (1st Ex. Sess.), No. 245, § 5; 1989 (1st Ex. Sess.), No. 252, § 7; 1989 (1st Ex. Sess.), No. 262, § 6; 1991, No. 641, § 6; 1993, No. 765,

§ 7; 1995, No. 70, 1, § 3; 2007, No. 1041, § 1.

**Amendments.** The 2007 amendment inserted “or chancellor” and substituted “one thousand five hundred dollars (\$1,500)” for “four hundred dollars (\$400).”

### 6-61-531. Arkansas Heavy Equipment Operator Training Academy — Establishment.

(a) The Arkansas Heavy Equipment Operator Training Academy is established as a satellite center of the University of Arkansas at Monticello.

(b) The academy shall be the Arkansas single-source academy offering statewide services and satellite training for the operation of heavy equipment.

(c) The academy may operate programs in cooperation with the University of Arkansas at Monticello colleges of technology located in Crossett and McGehee and the Southeast Arkansas Community-Based Education Center located in Warren.

**History.** Acts 2003, No. 683, § 1; 2005, No. 1010, § 1; 2007, No. 819, § 1.

**Amendments.** The 2007 amendment deleted former (c); redesignated former (d)

as present (c); and added “and the Southeast Arkansas Community-Based Education Center located in Warren” in present (c).

### 6-61-532. Arkansas Heavy Equipment Operator Training Academy — Operation.

(a)(1)(A) The Director of the Arkansas Heavy Equipment Operator Training Academy shall follow hiring procedures consistent with the policies of the University of Arkansas at Monticello in recommending academy personnel for hire.

(B) The Chancellor of the University of Arkansas at Monticello shall exercise final approval over the hiring of academy personnel.

(2) Persons employed by the academy as of July 1, 2003, shall be retained unless:

(A) They fail to fulfill their assigned duties; or



(B) Lack of enrollment in or funding of the academy necessitates staff reduction.

(3) The salaries of persons who are employed by the academy as of July 1, 2003, shall not be reduced as a result of this section and §§ 6-61-531 and 6-61-533.

(4) Persons who are nonclassified employees and faculty of the academy as of July 1, 2003, will remain under the academy's pay schedule.

(5) Persons employed by the academy as of July 1, 2003, may join the university's fringe benefits package, which includes the Arkansas Teacher Retirement System.

(6) The university will accept any leave balance for academy personnel that has accrued as of July 1, 2003, if the leave balance does not exceed the maximum leave allowed under Arkansas law.

(b)(1) The director will report directly to the chancellor regarding the operation of the academy.

(2) The director shall be appointed by the Chancellor of the University of Arkansas at Monticello or his or her designee.

(c) The university shall continue to offer the technical certificates previously approved by the Arkansas Higher Education Coordinating Board for the training of heavy equipment operators.

(d) The Arkansas Heavy Equipment Operator Training Academy Advisory Committee shall continue to make recommendations regarding the operation of the academy and its curriculum.

**History.** Acts 2003, No. 683, § 2; 2005, No. 1010, § 1; 2007, No. 819, § 2.

**Amendments.** The 2007 amendment added (b)(2) and made a related change.

### **6-61-533. Arkansas Heavy Equipment Operator Training Academy — Funding.**

(a)(1) All legislatively appropriated funds, tuitions, grant moneys, and donations designated for the Arkansas Heavy Equipment Operator Training Academy shall be specifically used for the operation of the academy.

(2) If the General Assembly does not provide funding for the academy, the University of Arkansas at Monticello may choose not to fund the academy.

(3) The Director of the Arkansas Heavy Equipment Operator Training Academy will develop, recommend, and monitor the academy's annual budget.

(4) The chief fiscal officer of the university or his or her designee shall regularly monitor academy books, banking records, accounts, and expenditures.

(b) The academy shall remain under the supervision of the director, who shall be assisted by the academy coordinator.

**History.** Acts 2003, No. 683, § 3; 2005, No. 1010, § 1; 2007, No. 819, § 3. rewrote (a)(2); and deleted former (b)(2) and made a related change.

**Amendments.** The 2007 amendment

**6-61-534. Southeast Arkansas College — Priorities.**

A high priority of the Southeast Arkansas College is to provide:

- (1) University transfer courses;
- (2) Industrial training in the work place; and
- (3) Encouragement for degree acquisition.

**History.** Acts 2011, No. 1082, § 5. chapter” in §§ 6-61-501 — 6-61-524 may not apply to this section which was enacted subsequently.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1-4 and 6-9 and references to “this chapter” and “this sub-

**SUBCHAPTER 6 — COMMUNITY COLLEGES — FINANCES**

SECTION.  
6-61-602. General operations — Millage taxes.

**Effective Dates.** Acts 2009, No. 1480, § 117: Apr. 10, 2009. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that this act makes various revisions to Arkansas election laws that are designed to improve the administration of elections and special elections and that these revisions should be implemented as soon as possible so that the citizens of this state may benefit from improved election procedures. Therefore, an emergency is

declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

**6-61-602. General operations — Millage taxes.**

- (a) In the event the local board of a community college wishes to spend larger sums of money than the state funds provided for general operation of the community college for whatever reasons consistent with the state law, it shall be lawful for millage to be levied from time to time to provide additional operation funds.
- (b) The millage can be approved at the election to create the community college district or the question of approving the millage can be submitted to the voters of the district from time to time thereafter at special or general elections.
- (c)(1) The local board of each community college shall certify, within the time provided by law, to the appropriate tax levying authority of each county or city of the district the aggregate millage to be levied for

the district for operating purposes and indebtedness purposes, and the millage shall be levied and collected in the manner provided by law.

(2) If the amount of the budget to be supported from taxes levied by the district is in excess of the amount to be produced from taxes then authorized for the district, after allowing for tax proceeds pledged for indebtedness purposes, the local board of the community college shall certify, at least sixty (60) days before any election upon which the millage may be voted, the additional millage required to the county board of election commissioners of each county of which any portion is in the community college district. However, millage together with the rate then levied will not exceed ten (10) mills.

(3) The question of the levy shall be placed on the ballot at the next following general election or a special election called for that purpose pursuant to § 7-11-201 et seq. as determined by the local board.

(d)(1) When the local board of a community college determines that the question of a tax levy in the district should be submitted to the electors of the district at a special election, it shall adopt a resolution to that effect and shall file a certified copy of the resolution with the county board of election commissioners of each county of which any portion is in the district that a special election shall be held in the district and shall set the date of the election, which shall be not more than ninety (90) days after the date of the proclamation required by § 7-11-201 et seq.

(2) The county board of election commissioners in each county of which any portion is included in a community college district shall prepare the ballots, furnish the election supplies, select the election judges and clerks, and make all necessary arrangements for conducting such elections.

(3) All laws applicable to the conduct of general elections, counting of ballots, and certification of the results thereof and other matters relating to the holding of general elections, so far as the laws are appropriate, shall apply to special elections held under this section, §§ 6-61-101 — 6-61-103, 6-61-201 — 6-61-209, 6-61-212 — 6-61-216, 6-61-301 — 6-61-305, 6-61-401, 6-61-402, 6-61-501 — 6-61-524, 6-61-601, and 6-61-603.

(4) All expenses of conducting special elections held under this section, §§ 6-61-101 — 6-61-103, 6-61-201 — 6-61-209, 6-61-212 — 6-61-216, 6-61-301 — 6-61-305, 6-61-401, 6-61-402, 6-61-501 — 6-61-524, 6-61-601, and 6-61-603 shall be paid from funds of the respective community college districts in which the elections are held.

(e) If the proposed additional millage is approved by the majority of the qualified electors of the district voting on such issue at a general or special election, the additional millage shall be a continuing levy until reduced as provided in subsection (f) of this section.

(f) Whenever the local board of any college determines that the rate of tax levied by the district, including the amount thereof pledged for indebtedness purposes, is greater than is necessary, the local board shall certify the reduced rate of millage to the appropriate tax levying



authority of each county or city of the district, and the reduced rate of millage shall be levied and shall be extended on the tax books as the rate of tax due that community college district until a greater amount of tax shall be certified by the local board of the college as authorized in this section.

(g) In the case of community college districts existing at the time this law is enacted, existing millages which have been approved by the voters of the district may continue to be levied by the district at the discretion of the local board except that upon the petition of voters, as provided in § 6-61-510, or upon request of the local board, an election may be called to repeal operating millage, reduce operating millage, or authorize the transfer of operating millage to capital uses.

**History.** Acts 1977, No. 560, § 12; A.S.A. 1947, § 80-4912; Acts 2005, No. 2145, § 9; 2007, No. 1049, § 11; 2009, No. 1480, § 12; 2011, No. 981, § 17.

**Amendments.** The 2007 amendment, in (c), inserted “at least sixty (60) days before any election upon which the millage may be voted” in (2), and inserted “pursuant to § 7-5-103(b)” in (3); in (d)(1), substituted “not more than ninety (90)” for “not less than thirty (30) days nor more than sixty (60)” and “proclamation required by § 7-5-103(b)” for “notice to the county board of election commissioners,”

and deleted former (B); and made related changes.

The 2009 amendment substituted “§ 7-11-201 et seq.” for “§ 7-5-103(b)” in (c)(3) and (d)(1).

The 2011 amendment, in (d)(3) and (4), substituted “under this section” for “pursuant to the provisions of,” deleted “6-61-211 [repealed]” following “6-61-209” and “6-61-306 [repealed]” following “6-61-305,” and substituted “6-61-601, and 6-61-603” for “6-61-601 — 6-61-603, and 6-61-604 — 6-61-612 [repealed]”; and substituted “ap-  
ply” for “be applicable” in (d)(3).

SUBCHAPTER 7 — RICH MOUNTAIN COMMUNITY COLLEGE

**A.C.R.C. Notes.** Acts 2007, No. 936, § 5, provided: “Contingent upon legislative appropriation and the availability of funding, Rich Mountain Community College shall develop a two-year pilot pro-

gram implementing endorsed concurrent enrollment courses for public high school students at no cost to the enrolled students.”

SUBCHAPTER 13 — PRODUCTIVITY ENHANCEMENT FOR UNDERGRADUATE  
HIGHER EDUCATION ACT

SECTION.

- 6-61-1301. Title.
- 6-61-1302. Findings.
- 6-61-1303. Definitions.
- 6-61-1304. Creation — Purpose.
- 6-61-1305. Base funding not impacted.
- 6-61-1306. Retention rate improvement incentives for two-year colleges.
- 6-61-1307. Associate degree graduation rate improvement incentives for two-year colleges.

SECTION.

- 6-61-1308. Technical certificate completion rate improvement incentives for two-year colleges.
- 6-61-1309. Retention rate improvement incentives for universities.
- 6-61-1310. Graduation rate improvement incentives for universities.
- 6-61-1311. Duties of the Arkansas Higher Education Coordinating Board.

## SECTION.

6-61-1312. Implementation Date.

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**A.C.R.C. Notes.** References to “this chapter” in subchapters 1-9 may not apply to this subchapter which was enacted subsequently.

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**6-61-1301. Title.**

This subchapter shall be known and may be cited as the “Productivity Enhancement for Undergraduate Higher Education Act”.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1302. Findings.**

The General Assembly finds that:

(1) Higher education productivity is a state, national, and international issue that impacts the ability of Arkansans to compete on the state, national, and global levels;

(2) Public institutions of higher education have a heightened duty for the efficient use and accountability for the expenditure of tax dollars;

(3) Incentive funding is often successful to encourage public institutions to improve efficiency, accountability, and outcomes;

(4) As applied to public institutions of higher education, incentive funding that encourages public institutions of higher education to maximize the efficiency of tax dollars and tuition receipts to improve outcomes for the students and the institution should improve the productivity of the public institutions; and

(5) A statewide coordinated plan that uses incentive funding to improve retention and graduation rates at public institutions of higher education is necessary to enhance productivity and empower Arkansans to compete in the global economy.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1303. Definitions.**

As used in this subchapter:

(1) “Certificate-seeking student” means a student who is:

(A) Enrolled in courses for credit; and

(B) Recognized by the institution as seeking a formal award in a vocational program or an occupational program;

(2) “Completion rate for technical certificates” means the ratio of the number of first-time, full-time students who complete a technical certificate program in no more than five (5) consecutive semesters at the institution compared to the total number of first-time, full-time stu-

dents who were enrolled at the institution in a technical certificate program five (5) semesters earlier, expressed as a percentage value;

(3) "Degree-seeking student" means a student who is:

(A) Enrolled in courses for credit; and

(B) Recognized by the institution as seeking a degree;

(4) "Full-time student" means an individual who:

(A) Is a student at a public institution of higher education;

(B) Is enrolled in a course of study leading to an associate's or bachelor's degree or completion of a technical certificate; and

(C) Is enrolled in at least twelve (12) semester hours or some other reasonable academic equivalent as defined by the Department of Higher Education;

(5) "Graduation rate for the two-year college" means the ratio of the number of first-time, full-time degree-seeking students who complete an associate degree in no more than three (3) years at the institution compared to the total number of first-time, full-time degree-seeking students who began at the two-year college as first-time, full-time degree-seeking students three (3) years earlier, expressed as a percentage value;

(6) "Graduation rate for the university" means the ratio of the number of first-time, full-time degree-seeking students who complete a baccalaureate degree at the institution in no more than six (6) years compared to the total number of first-time, full-time degree-seeking students who began at the university as first-time, full-time degree-seeking students six (6) years earlier, expressed as a percentage value;

(7)(A) "Institution" means a public institution of higher education.

(B) "Institution" includes universities and two-year colleges;

(8) "Institutional baseline" means the institution's average rate for the previous three (3) years in a category established under this subchapter that is eligible for incentive funding, expressed as a percentage value;

(9) "Retention rate for the two-year college" means the ratio of the number of first-time, full-time degree-seeking or certificate-seeking students who remain at the institution for the following semester compared to the total number of full-time degree-seeking or certificate-seeking students at the institution during the previous semester, expressed as a percentage value; and

(10) "Retention rate for the university" means the ratio of the number of first-time, full-time, degree-seeking students who continue from their freshman year at the institution to their second year at the institution compared to the total number of first-time, full-time, degree-seeking students who began at the institution as freshmen during the previous year, expressed as a percentage value.



**6-61-1304. Creation — Purpose.**

(a) There is created the Productivity Enhancement for Undergraduate Higher Education Program to be administered by the Arkansas Higher Education Coordinating Board.

(b) The purpose of this program is to improve undergraduate education at public institutions of higher education by improving:

- (1) The retention rates of first-year to second-year students; and
- (2) The graduation rates.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1305. Base funding not impacted.**

Nothing in this subchapter shall impact the base funding of an institution.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1306. Retention rate improvement incentives for two-year colleges.**

A two-year college is eligible for incentive funding under this section if the retention rate for the two-year college is three percent (3%) more than the institutional baseline.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1307. Associate degree graduation rate improvement incentives for two-year colleges.**

A two-year college is eligible for incentive funding under this section if the graduation rate for the two-year college is three percent (3%) or more than the institutional baseline.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1308. Technical certificate completion rate improvement incentives for two-year colleges.**

A two-year college is eligible for incentive funding under this section if the completion rate for technical certificates is three percent (3%) or more than the institutional baseline.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1309. Retention rate improvement incentives for universities.**

A university is eligible for incentive funding under this section if the retention rate for the university is three percent (3%) more than the institutional baseline.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1310. Graduation rate improvement incentives for universities.**

A university is eligible for incentive funding under this section if the graduation rate for the university is three percent (3%) more than the institutional baseline.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1311. Duties of the Arkansas Higher Education Coordinating Board.**

The Arkansas Higher Education Coordinating Board shall:

- (1) Develop, implement, and administer the program as provided under this subchapter;
- (2) Allocate any and all incentive funding that is appropriated for the program to each institution that qualifies in each category under this subchapter;
- (3) Promulgate rules for the administration of this subchapter; and
- (4) Report on the status of the program, including recommendations for any changes to the program, to the Legislative Council, the House Interim Committee on Education, and the Senate Interim Committee on Education no later than December 1 of each even-numbered year, beginning on December 1, 2008.

**History.** Acts 2007, No. 1592, § 1.

**6-61-1312. Implementation Date.**

This program shall be implemented on July 1, 2009.

**History.** Acts 2007, No. 1592, § 1.

**SUBCHAPTER 14 — COMMON COURSE NUMBERING SYSTEM**

SECTION.

- 6-61-1401. Purpose.
- 6-61-1402. Courses included in the common course numbering system.
- 6-61-1403. Additions or alterations.
- 6-61-1404. Course listings.

SECTION.

- 6-61-1405. Participation by institutions of higher education that are not state-supported.
- 6-61-1406. Courses review.
- 6-61-1407. Data collection.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1-9 may not apply to this subchapter which was enacted subsequently.

Acts 2011, No. 747, § 6: July 27, 2011, provided:

“(a) Each state-supported institution of higher education shall fully participate in the common course numbering system by July 1, 2013.

“(b) The Department of Higher Education shall file a report with the General

Assembly on the compliance of state-supported institutions of higher education with this subchapter on August 15, 2013.”

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### **6-61-1401. Purpose.**

The Arkansas Higher Education Coordinating Board, in collaboration with all state-supported institutions of higher education, shall implement a statewide common course numbering system that:

- (1) Provides improved program planning;
- (2) Increases communication among all delivery systems;
- (3) Facilitates the transfer of students and credits between state-supported institutions of higher education; and
- (4) Promotes consistency in course designation and identification.

**History.** Acts 2011, No. 747, § 5.

### **6-61-1402. Courses included in the common course numbering system.**

(a)(1) The Arkansas Higher Education Coordinating Board, in collaboration with all state-supported institutions of higher education, shall develop and approve a statewide common course numbering system for lower-division general education courses found within the Arkansas Course Transfer System.

(2) A state-supported institution of higher education that is not in full compliance with this subchapter shall not be eligible to accept state aid from the Higher Education Grants Fund Account on behalf of a student.

(b)(1) A course designated as an upper-division course level may be offered by any four-year state-supported institution of higher education and shall be characterized by a need for advanced academic preparation and skills that a student would be unlikely to achieve without significant prior coursework.

(2) Upper-division courses are not required to be included in the common course numbering system.

(c) A course designated as a lower-division course level may be offered by any state-supported institution of higher education.

(d) The common course numbering system shall include the thirty-five-hour general education core and major program prerequisites that are included in the state minimum core curriculum under § 6-61-231.

**History.** Acts 2011, No. 747, § 5.

### **6-61-1403. Additions or alterations.**

(a) The Director of the Department of Higher Education shall recommend to the Arkansas Higher Education Coordinating Board any additions or alterations to the common course numbering system.



(b) The board, with input from the Presidents Council, shall consider the recommended additions and alterations to the common course numbering system.

(c) The board may adopt or refuse to adopt suggested additions or alterations to the common course numbering system.

**History.** Acts 2011, No. 747, § 5.

#### **6-61-1404. Course listings.**

Each state-supported institution of higher education shall include the common course numbers approved by the Arkansas Higher Education Coordinating Board in all:

- (1) Course listings;
- (2) Course documents;
- (3) Catalogs;
- (4) Websites; and
- (5) Other published materials that designate course listings.

**History.** Acts 2011, No. 747, § 5.

#### **6-61-1405. Participation by institutions of higher education that are not state-supported.**

An institution of higher education that is not state-supported may participate in the common course numbering system if the institution has approved courses listed in the state minimum core curriculum under § 6-61-231.

**History.** Acts 2011, No. 747, § 5.

#### **6-61-1406. Courses review.**

The Department of Higher Education shall:

- (1) Regularly schedule reviews of courses that are listed in the common course numbering system;
- (2) Establish review procedures; and
- (3) Adopt policies to carry out this section.

**History.** Acts 2011, No. 747, § 5.

#### **6-61-1407. Data collection.**

(a) The Department of Higher Education shall adopt policies for the collection of data to ensure that all institutions of higher education that participate in the common course numbering system comply with this subchapter.

(b) The department shall determine the data to be collected and annually notify each participating institution of higher education in a timely manner.

**History.** Acts 2011, No. 747, § 5.

## SUBCHAPTER 15 — ELECTRICAL ENERGY ADVANCEMENT PROGRAM

### SECTION.

6-61-1501. Arkansas Statewide Energy Consortium.

6-61-1502. Electrical Energy Advancement Program Fund Board.

### SECTION.

6-61-1503. Duties.

**A.C.R.C. Notes.** References to “this chapter” in subchapters 1-9 may not apply to this subchapter which was enacted subsequently.

Acts 2011, No. 1232, § 1, effective July 27, 2011, provided: “Legislative intent.

“(a) The purpose of this subchapter is to provide state support for the Electrical Energy Advancement Program for institutions of higher education.

“(b) The General Assembly finds that the Electrical Energy Advancement Program:

“(1) Is identified as a key competency for Arkansas in the Battelle study com-

missioned by the Arkansas Research Alliance;

“(2) Will focus on education, research, and economic development in the electrical energy sector to capitalize on one (1) of Arkansas’s core technology competencies;

“(3) Is vital to the economic development of Arkansas; and

“(4) Is expected to be a source of tremendous job growth within Arkansas over the next decade.”

Acts 2011, No. 1232, § 4; July 27, 2011, provided: “The provisions of this act shall expire six (6) years from the effective date of the act unless extended by the General Assembly.”

### 6-61-1501. Arkansas Statewide Energy Consortium.

(a) There is created the Arkansas Statewide Energy Consortium consisting of the:

- (1) University of Arkansas, Fayetteville;
- (2) University of Arkansas, Little Rock; and
- (3) Arkansas State University, Jonesboro.

(b)(1) The consortium shall be headquartered at the University of Arkansas, Fayetteville, National Center for Reliable Electric Power Transmission.

(2) The University of Arkansas, Fayetteville, shall administer the Electrical Energy Advancement Program Fund.

**History.** Acts 2011, No. 1232, § 2.

### 6-61-1502. Electrical Energy Advancement Program Fund Board.

(a) The Electrical Energy Advancement Program Fund Board is created to make recommendations to the Arkansas Statewide Energy Consortium regarding the allocation of funds for the programs approved under this subchapter.

(b) The board is composed of sixteen (16) members as follows:

(1)(A) The executive director of the University of Arkansas, Fayetteville, National Center for Reliable Electric Power Transmission or the director's designee, who shall serve as chair of the board and represent the University of Arkansas, Fayetteville.

(B) The chair shall be a regular voting member with one (1) vote;

(2) Seven (7) of the members from the private electrical energy sector;

(3) Three (3) of the members from the United States Department of Energy national laboratories;

(4) The president of the Arkansas Science and Technology Authority or the president's designee;

(5) One (1) member who is designated by Arkansas State University;

(6) One (1) member who is designated by the University of Arkansas, Little Rock;

(7) The executive director of the Arkansas Economic Development Commission or the executive director's designee; and

(8) One (1) member who is designated by the Arkansas Public Service Commission.

(c)(1) Each private electrical energy sector member of the board shall:

(A)(i) Be from an organization that is:

(a) Involved in the generation, transmission, or distribution of electricity; or

(b) Engaged in the design or manufacturing of electrical equipment for the generation, transmission, distribution, or power conversion of electricity including electrified transportation.

(ii) An individual under this subdivision (c)(1)(A) shall have experience managing an organization that meets the description of this subdivision (c)(1)(A); and

(B) Have obtained at least an undergraduate degree from a four-year institution of higher learning in science or engineering.

(2) Each national laboratory member of the board shall:

(A) Be from a national laboratory group directly involved in the research and development of advanced technologies for the electric power grid; and

(B) Have obtained at least an undergraduate degree from a four-year institution of higher learning in science or engineering.

(d)(1) The chair shall seek nominations for the initial list of private electrical energy sector and national laboratory board members from:

(A) Each member of the board who is not from the private electrical energy sector or a national laboratory; and

(B) The Governor.

(2) From the recommendations, the chair will nominate the initial private electrical energy sector and national laboratory board members to the balance of the board for consideration and appointment to the board.

(e)(1) Except for the initial terms identified under this subsection, each private electrical energy sector and national laboratory board



member shall serve a four-year term, with a maximum of two (2) consecutive four-year terms.

(2) The initial terms of the private electrical energy sector board members shall be as follows:

- (A) One (1) member shall serve a one-year term;
- (B) Two (2) members shall serve a two-year term;
- (C) Two (2) members shall serve a three-year term; and
- (D) Two (2) members shall serve a four-year term.

(3) The initial terms of the national laboratory board members shall be as follows:

- (A) One (1) member shall serve a two-year term;
- (B) One (1) member shall serve a three-year term; and
- (C) One (1) member shall serve a four-year term.

(4) The chair shall determine the terms of the initial private and national laboratory members of the board.

(5) Each member may be reappointed from time to time thereafter to serve no more than a maximum of (8) consecutive years including his or her initial term.

(f) Successors to the initial private electrical energy sector and national laboratory board members shall be nominated by the chair upon recommendation by the board.

(g) Members of the board who are not private electrical energy sector or national laboratory board members shall serve at the pleasure of the entities where they are employed.

(h)(1) The chair shall call the first meeting of the board not less than three (3) months after funding is received in the Electrical Energy Advancement Program Fund.

(2) Subsequent meetings shall be held on the call of the chair and shall convene at the National Center for Reliable Electric Power Transmission.

(i) A quorum shall consist of not less than a majority of the voting membership of the board, and the affirmative vote of that number is necessary for the disposition of the board's business.

(j)(1) Members of the board shall receive no pay for services with respect to attendance at each regular or special meeting of the board.

(2)(A) However, if funds are appropriated for the purpose and subject to board approval, members are entitled to reimbursement under § 25-16-902 for each day the board is in session.

(B) Reimbursement is in an amount equal to the maximum daily allowance for meals and lodging paid as provided by law to a state employee for in-state travel plus mileage at the rate per mile provided by law for the reimbursement of mileage expense for state employees for travel from their homes to the place of the meeting and their return.

(k) The National Center for Reliable Electric Power Transmission shall provide staff for the board.

**6-61-1503. Duties.**

(a)(1) The Electrical Energy Advancement Program Fund Board shall make recommendations to the Arkansas Statewide Energy Consortium concerning the funding, funding ratios, and maximum amounts to be made available among the proposals and programs for:

(A) Competitive undergraduate scholarships for Arkansas residents in the field of electrical and electronic engineering at the member universities of the consortium, to be given in accordance with institutional guidelines; and

(B) Competitive graduate fellowships for master's and doctoral students in electrical and electronic engineering at member universities of the consortium, to be given in accordance with institutional guidelines with preference given to Arkansas residents.

(2) One-time project costs may include without limitation the cost of:

(A) Facilitating the hiring of new tenure-track faculty at each of the consortium member institutions to increase the capacity and expertise of each university to:

(i) Perform research; and

(ii) Successfully return that research to the classroom for the benefit of the entire consortium;

(B) Expediting economic development through research by providing startup funds for successful applicants;

(C) Continuing education programs to serve practicing engineers in the energy sector whose professional licensure or registration requires at least fifteen (15) hours of continuing education annually; and

(D) Collaborative research projects between and among the consortium member institutions.

(b) The board may base its recommendations for use of the funds on a proposal's:

(1) Technical merit;

(2) Potential impact on the state's economic growth; and

(3) Potential for strengthening the state's electrical energy education programs.

(c)(1) Annually by June 30, the board shall:

(A) Report its actions to the Governor; and

(B) Provide a copy of the report to the agencies included in the report's recommendations.

(2) The board may provide the report required under this subsection by electronic means or by a printed copy.

(d) The board shall promulgate rules to implement this section.

**History.** Acts 2011, No. 1232, § 2.

## CHAPTER 62

## PROPERTY AND FINANCES OF STATE INSTITUTIONS

## SUBCHAPTER.

1. GENERAL PROVISIONS.
3. FACILITIES — CONSTRUCTION OR PURCHASE.
8. ATHLETIC PROGRAMS.
11. HIGHER EDUCATION TECHNOLOGY AND FACILITY IMPROVEMENT.

## SUBCHAPTER 1 — GENERAL PROVISIONS

## SECTION.

- 6-62-104. [Repealed.]
- 6-62-105. Private borrowing by institutions of higher education.

## SECTION.

- 6-62-108. Housing allowances.
- 6-62-109. Annual certification of solvency.

**Effective Dates.** Acts 2007, No. 1229, § 45: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2007 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2007 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2007."

Acts 2009, No. 571 § 2: March 24, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that state-supported institutions of higher education are faced with financial hardship due to the struggling economic climate; that state-supported institutions of higher education play a key role in the future prosperity of the state; that insufficiently funded institutions of higher education risk irreparable harm to the economy of this state; and that this act is immediately necessary to ensure the financial health of state-

supported institutions of higher education in this struggling economy. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) the date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, it shall become effective on the expiration of the period of time during which the Governor may veto the bill; (3) If the bill is vetoed by the Governor and the veto is overridden, it shall become effective on the date the last house overrides the veto."

Acts 2011, No. 1065, § 43: July 1, 2011. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2011 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2011 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2011."



**6-62-104. [Repealed.]**

**Publisher's Notes.** This section, concerning transfer of appropriation, was repealed by Acts 2007, No. 1229, § 14. The section was derived from Acts 1983, No. 147, § 14, as added by Acts 1985, No. 845, § 2; A.S.A. 1947, § 80-5614.

**6-62-105. Private borrowing by institutions of higher education.**

(a)(1) Upon approval of the board of trustees of a state-supported institution of higher education, the Department of Higher Education, and the Chief Fiscal Officer of the State, a state-supported institution of higher education may borrow funds determined by the board of trustees to be necessary to continue the operation of the state-supported institution of higher education from a private financial institution if the Revolving Loan Fund is insufficient, as certified by the Chief Fiscal Officer of the State, for a state-supported institution of higher education to participate in the fund.

(2) A state-supported institution of higher education shall not have outstanding loans in the aggregate under this section in excess of eighty-five percent (85%) of the total of the actual May and June general revenues distributed during the immediately preceding fiscal year to the state-supported institution of higher education.

(b)(1) The principal amount of the loans described in subsection (a) of this section shall be repaid from general revenues distributed to the state-supported institution of higher education during the months of May and June of the fiscal year in which the loans were obtained.

(2) All interest and other charges shall be paid from cash funds of the state-supported institution of higher education.

(c)(1) Notwithstanding subsections (a) and (b) of this section or § 19-4-705, the Chief Fiscal Officer of the State and the Director of the Department of Higher Education may authorize a state-supported institution of higher education to borrow funds from a private financial institution provided that the board of trustees of the state-supported institution of higher education certifies that borrowing funds from a private financial institution:

(A) Is required to continue essential operations of the state-supported institution of higher education into the following fiscal year; and

(B) Will be repaid not later than one hundred twenty (120) days after the start of the following fiscal year.

(2) The aggregate amount of funds borrowed from private financial institutions may not exceed the limits set in subsection (a) of this section.

(3) Upon repayment, the chief financial officer of the state-supported institution of higher education shall certify in writing to the Chief Fiscal Officer of the State and the director the:

(A) Date of the repayment; and

(B) Amount of the repayment.

(4) This subsection (c) shall expire on June 30, 2011.

(d) The Chief Fiscal Officer of the State shall promulgate rules and regulations necessary for the implementation of this section.

**History.** Acts 1987, No. 367, §§ 1, 2; (a) and (b); subdivided (b) and deleted the 2009, No. 571, § 1. last sentence of (b)(2); and added (c) and

**Amendments.** The 2009 amendment (d). made minor stylistic changes throughout

### 6-62-108. Housing allowances.

The board of trustees of each state-funded, four-year university may approve a housing allowance not to exceed one thousand five hundred dollars (\$1,500) per month for the president or the chancellor of the university. The allowance shall be in lieu of any state-owned housing provided for the presidents and the chancellors.

**History.** Acts 1999, No. 240, § 1; 2007, substituted “one thousand five hundred No. 1041, § 2. dollars (\$1,500)” for “eight hundred dol-

**Amendments.** The 2007 amendment lars (\$800),” and made stylistic changes.

### 6-62-109. Annual certification of solvency.

(a) Annually, the board of trustees and the president or chancellor of each state-supported institution of higher education shall certify to the Chief Fiscal Officer of the State and the Legislative Council that as of December 31, sufficient appropriations and funds:

(1) Are available to meet all current and anticipated obligations for the current fiscal year as the obligations become due; or

(2) Will become available to meet all current and anticipated obligations for the current fiscal year as the obligations become due.

(b) The certification from each state-supported institution of higher education shall be:

(1) Signed by the chair of the board of trustees and the president or chancellor;

(2) Sent no later than February 28 or upon release of the previous year’s audit by Legislative Audit to the Chief Fiscal Officer of the State and the Legislative Council; and

(3) Accompanied by the published annual financial statement for the preceding fiscal year approved by the board of trustees.

**History.** Acts 2011, No. 1065, § 38.

## SUBCHAPTER 3 — FACILITIES — CONSTRUCTION OR PURCHASE

### SECTION.

6-62-309. Bonds or notes — Liability.

6-62-314. Construction project exemption.

**Effective Dates.** Acts 2007, No. 1229, § 45: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2007 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2007 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2007."

Acts 2011, No. 1065, § 43: July 1, 2011. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2011 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2011 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2011."

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### 6-62-309. Bonds or notes — Liability.

(a) The bonds or notes shall be general obligations only of the board of trustees, and in no event shall they be considered a debt for which the faith and credit of the State of Arkansas or any of its revenues are pledged.

(b) No member of any board shall be personally liable for the notes or bonds, or for any damages sustained by anyone in connection with contracts for loans or the construction of the buildings, unless it shall be made to appear that he or she has acted with a corrupt intent.

(c) Upon a determination of the board of trustees that a reallocation of resources is necessary for the purposes of preventing a default on its indebtedness, the board of trustees has specific authority to transfer funds between and among campuses, divisions, and other budgetary units of its institution of higher education. Upon exercising the authority to reallocate resources as provided by this section, the board of trustees shall report the reasons for and the details of such reallocations to the Legislative Council or Joint Budget Committee immediately thereafter.

**History.** Acts 1947, No. 62, § 1; 1949, No. 320, § 1; 1951, No. 313, § 1; 1969, No. 183, § 1; A.S.A. 1947, § 80-3311; Acts 2007, No. 1229, § 17.

**Amendments.** The 2007 amendment added (c).



**6-62-314. Construction project exemption.**

The following state-supported institutions of higher education shall be exempt as allowed by § 19-4-1415(b)(5) for construction projects exceeding five million dollars (\$5,000,000) if they have adopted policies and procedures in compliance with state law involving the awarding and oversight of the contracts for design and construction services:

- (1) Henderson State University;
- (2) Southern Arkansas University — Magnolia;
- (3) University of Central Arkansas;
- (4) Mid-South Community College;
- (5) National Park Community College; and
- (6) Northwest Arkansas Community College.

**History.** Acts 2011, No. 1065, § 37.

**SUBCHAPTER 7 — ARKANSAS COLLEGE SAVINGS BOND ACT****6-62-708. Bonds — Principal amount.**

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 24, provided: “COLLEGE SAVINGS BONDS LIMITATIONS. The total principal amount of bonds to be issued during any fiscal biennium shall not exceed three-hundred million dollars (\$300,000,000), nor shall the principal amount of bonds outstanding at any time

have debt service requirements in excess of twenty-four million dollars (\$24,000,000) in any one fiscal year from all state revenue sources.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

**6-62-727. Rules and regulations — Acts 1997, No. 1211.**

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 23, provided: “COLLEGE SAVINGS BONDS. The Department of Higher Education shall adopt rules and regulations for the allocation of the funds reappropriated for the development of projects at State Institutions of Higher Education and the payment of project costs and expenses of the issuance of the bonds of the Arkansas College Savings General Obligation Bonds Program to ensure that funds are allocated and expended in a manner consistent with the provisions of the Internal Revenue Code applicable to the Arkansas College Savings General Obligation Bond Program (Program). The funds reappropriated for the development of projects at State Institutions of Higher

Education and the payment of project costs and expenses of the issuance of the bonds of the Arkansas College Savings General Obligation Bonds Program shall be allocated and expended pursuant to the provisions of Arkansas Code 6-62-701 et seq. and other laws of this State. The expenditure and allocation of funds shall be exempt from any other provisions of state law which conflicts with any provision of the rules and regulations which rules and regulations are required to ensure the compliance of the Program with the applicable provisions of the Internal Revenue Code.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

**SUBCHAPTER 8 — ATHLETIC PROGRAMS****SECTION.**

6-62-802. Definitions.

6-62-803. Limits on funding.

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**Effective Dates.** Acts 2005, No. 2288, § 3: July 1, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the limitations on athletic expenditure has not been adjusted as necessary to allow for increases in inflation; that this adjustment is necessary to allow necessary expenditures for institutions of

higher education; and that it is necessary for this act to begin on July 1, 2005, because that is the beginning of the fiscal year. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2005."

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**6-62-802. Definitions.**

As used in this subchapter:

(1) "Athletic deficit" means the amount of athletic expenditures offset by the amount of athletic revenues, including:

(A) Athletic-generated income;

(B) Profits from other auxiliary enterprises;

(C) The federally funded portion of college work-study students in the intercollegiate athletic program;

(D) Transfers from funds other than the unrestricted educational and general fund; and

(E) The allowable unrestricted educational and general transfer for four-year institutions, for two-year branches of four-year institutions, and for other two-year institutions of higher education;

(2) "Athletic expenditures" means:

(A) All direct and indirect expenses, prorated if necessary, including salaries;

(B) All fringe benefits such as medical and dental insurance, workers' compensation, pension plans, tuition waivers, and any other cost associated with recruitment and retention of staff;

(C) Travel;

(D) Equipment;

(E) Scholarships;

(F) Meals;

(G) Housing and dormitory supplies;

(H) Supplies;

(I) Property and medical insurance;

(J) Medical expenses;

(K) Utilities; and

(L) Maintenance of facilities related to all intercollegiate teams and spirit groups, excluding bands; and

(3) "Athletic program" means intercollegiate athletics.

**History.** Acts 1991, No. 366, § 2; 1997, No. 954, § 1; 2005, No. 2288, § 1.

### 6-62-803. Limits on funding.

(a) Beginning in fiscal year 1991-1992, the amount of unrestricted educational and general funds for intercollegiate athletic programs at state-supported institutions of higher education shall be limited to four hundred fifty thousand dollars (\$450,000) at four-year institutions and to fifty-one dollars (\$51.00) per full-time-equivalent student per year at two-year branches of four-year institutions and at other two-year institutions of higher education.

(b)(1) Beginning in fiscal year 1997-1998, state-supported four-year institutions of higher education may use an additional three hundred thousand dollars (\$300,000) per fiscal year of unrestricted educational and general funds to provide gender equity in intercollegiate athletic programs.

(2) Two-year branches of the four-year institutions and other two-year institutions of higher education may use an additional amount of unrestricted educational and general funds for providing gender equity in intercollegiate athletic programs in the amount of thirty-four dollars (\$34.00) per full-time-equivalent student per year.

(c)(1) Beginning in fiscal year 2005-2006, the limits on the amount of unrestricted educational and general funds for intercollegiate athletic programs at state-supported institutions of higher education set forth in subsections (a) and (b) of this section shall be adjusted as determined by the Department of Higher Education based on the consumer price index.

(2)(A) For fiscal year 2005-2006, the adjustments shall take into account the inflation increases since the figures set forth in subsections (a) and (b) of this section were established or last adjusted.

(B) In subsequent years, the adjustment shall be for the period from the last adjustment to the beginning of the relevant fiscal year.

**History.** Acts 1991, No. 366, § 3; 1997, No. 954, § 2; 2005, No. 2288, § 2.

## SUBCHAPTER 11 — HIGHER EDUCATION TECHNOLOGY AND FACILITY IMPROVEMENT

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**Effective Dates.** Acts 2005, No. 1282, § 2: Mar. 29, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that there is an immediate need for a program to finance the design, development, equipping, acquisition, improvement, and construction of technology projects and facility improvement projects at state institutions of higher education within the state; that such a program cannot be accomplished without the issuance of bonds secured by the general revenues of the state to finance the program;

and that this act authorizes the issuance of the necessary bonds. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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### 6-62-1101. Title.

This subchapter may be referred to and cited as the "Arkansas Higher Education Technology and Facility Improvement Act of 2005".

**History.** Acts 2005, No. 1282, § 1.

### 6-62-1102. Legislative findings.

The General Assembly finds that:

(1) Expanded availability of higher educational opportunities for families in this state with school-age children has become increasingly necessary in order to preserve and protect the health, welfare, and prosperity of this state and its citizens;

(2) The increasing competitiveness and technological sophistication of today's products, services, and markets and the growing importance of our dynamic economy require a highly educated and well-trained work force in order for this state to preserve, protect, and promote employment opportunities;

(3) A strong system of higher education has been and will continue to be not only a wellspring for the enhancement of this state's cultural well-being but also a substantial contributing factor to the growth of this state's economy by stimulating the development of new products and services;

(4) There is a growing need for this state to undertake projects to upgrade and expand this state's higher education technology equip-

ment and to improve this state's higher education and physical plant; and

(5) The public policies and responsibilities of this state as described in this section cannot be fully obtained without the use of public financing and that the public financing can only be provided by the adoption of this subchapter by the General Assembly and its approval by the electors of the State of Arkansas.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1103. Definitions.**

As used in this subchapter:

(1) "Athletic facilities" means facilities used primarily for intercollegiate or intramural sports;

(2) "Bonds" means the State of Arkansas Higher Education General Obligation Bonds as authorized in this subchapter;

(3) "Debt service" means all amounts required for the payment of principal, interest, and premium, if any, due with respect to the bonds in any fiscal year, along with all associated costs, including the fees and costs of paying agents and trustees, remarketing agent fees, credit enhancement costs, arbitrage rebate costs, administrative costs, and other amounts necessary in connection with the repayment of and security for the bonds;

(4) "Develop" or "development" means the construction, repair, renovation, design, expansion, improvement, acquisition, installation, or equipping of any lands, buildings, improvements, machinery, equipment, or other properties of whatever nature, real, personal, or mixed;

(5) "Facility improvement projects" means any lands, buildings, improvements, machinery, equipment, or other property, real, personal, or mixed or any combination of property developed in pursuance of all or any of the purposes of this subchapter as promulgated by the rules established by the Arkansas Higher Education Coordinating Board that are not technology projects as defined in this subchapter;

(6) "General revenues" means the general revenues defined in § 19-6-201;

(7) "Project costs" means all or any part of the costs of developing any projects under this subchapter, costs of refunding bonds issued under this subchapter or under the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq., costs incidental or appropriate to the projects or bonds, and costs incidental or appropriate to the financing of the projects or bonds, including, without limitation, costs of issuance of the bonds, capitalized interest, liquidity facility fees, appropriate reserves, credit enhancement, bond insurance or surety bond premiums, the administrative fees of the issuer, and fees and costs for engineering, legal, and other professional, administrative, and consultant services;

(8) "State institution of higher education" means any public university, college, technical college, or community college established or authorized by the General Assembly; and

(9) “Technology projects” means any lands, buildings, improvements, machinery, equipment, or other property, real, personal, tangible or intangible, or mixed, or any combination thereof, developed in pursuance of all or any of the purposes of this subchapter but specifically for the purpose of upgrading or expanding this state’s higher education technology equipment and facilities as promulgated by the rules established by the Arkansas Higher Education Coordinating Board.

**History.** Acts 2005, No. 1282, § 1.

#### **6-62-1104. Power and duties.**

(a) Before any bonds may be issued during a fiscal biennium, except for refunding purposes, the Arkansas Higher Education Coordinating Board shall submit to the Governor a written plan for technology and facility improvement projects to be funded with the proceeds derived from the sale of the State of Arkansas Higher Education General Obligation Bonds, the need for the projects, the estimated benefits of the projects, and the anticipated debt service requirements for the bonds.

(b)(1) Upon receipt of the plan, the Governor shall confer with the Chief Fiscal Officer of the State concerning the amount and availability of unrestricted funds in the General Improvement Fund that would be used to meet the debt service requirements.

(2) The Chief Fiscal Officer of the State shall determine whether the annual amount of the net general revenues required to be set aside from general revenues for payment of the remaining debt service requirements in connection with the bonds to be issued under this subchapter during either year of the fiscal biennium in which the bonds are to be issued would work undue hardship upon any agency or program supported from general revenues under the provisions of the Revenue Stabilization Law, § 19-5-101 et seq.

(c) After conferring with the Chief Fiscal Officer of the State pursuant to subsection (b) of this section, if the Governor determines that issuing bonds under this subchapter is in the public interest, the Governor shall authorize by proclamation the board and the Arkansas Development Finance Authority to proceed with the issuance of the bonds under this subchapter.

(d) The authority and the board, in addition to and not in replacement or limitation of powers conferred under other laws, each shall have the power under this subchapter to:

(1) Make available bond proceeds and investment earnings on the bond proceeds to state institutions of higher education for payment of project costs in accordance with this subchapter;

(2) Enter into any and all contracts necessary or convenient for the exercise of the powers or implementation of the purposes set forth in this subchapter;

(3) Require audits or other periodic reports of any or all accounts related to construction, operation, or maintenance of any projects funded by this subchapter;



(4) Take reasonable actions to ensure that debt service requirements are met; and

(5) Take other action as may be appropriate to accomplish the purposes of this subchapter.

(e) The authority and the board are authorized to promulgate rules with respect to their powers and duties pursuant to this subchapter.

(f) No member of the authority or the board shall be liable personally for any reason arising from the issuance of bonds pursuant to this subchapter unless the person shall have acted with corrupt intent.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1105. Authorization — Purposes.**

The Arkansas Development Finance Authority, on behalf of the State of Arkansas, is authorized, subject to the approval of the voters in a statewide election, to issue bonds to be known as “State of Arkansas Higher Education General Obligation Bonds”, in a total principal amount not to exceed two hundred fifty million dollars (\$250,000,000) for the purpose of financing the development of technology projects and facility improvement projects for state institutions of higher education and for the purpose of refunding bonds issued under the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1106. Bonds — Debt service limitation.**

The total principal amount of bonds outstanding under this subchapter and under the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq., shall not have combined scheduled debt service payments in excess of twenty-four million dollars (\$24,000,000) in any one (1) fiscal year.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1107. Projects to be financed.**

The proceeds of bonds issued under this subchapter for nonrefunding purposes shall be used to finance the development of technology projects and facility improvement projects. However, none of the projects shall be primarily for athletic facilities.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1108. Election.**

(a)(1) No bonds shall be issued under this subchapter, except as otherwise provided in this subchapter, unless the issuance of bonds and the pledge of the full faith and credit of the State of Arkansas have been approved by a majority of the qualified electors of this state voting on

the question at a statewide election called by proclamation of the Governor.

(2) The election may be in conjunction with a general election, or it may be a special election.

(3) Notice of the election shall be:

(A) Published by the Secretary of State in a newspaper of general circulation in this state at least thirty (30) days prior to the election; and

(B) Mailed to each county board of election commissioners at least sixty (60) days prior to the election.

(b) The notice of election shall state that the election is to be held for the purpose of submitting to the people the following proposition, in substantially the following form:

“Authorizing the Arkansas Development Finance Authority to issue State of Arkansas Higher Education General Obligation Bonds (the “bonds”) in a total principal amount not to exceed two hundred fifty million dollars (\$250,000,000) in one (1) or more series from time to time for the purpose of financing the cost of developing technology and facility improvement projects for state institutions of higher education and financing the cost of refunding bonds issued under the Arkansas College Savings Bond Act of 1989. However, that the outstanding principal amount of bonds issued under the Arkansas Higher Education Technology and Facility Improvement Act of 2005 and the Arkansas College Savings Bond Act of 1989 shall not have scheduled debt service payments on a combined basis in excess of twenty-four million dollars (\$24,000,000) in any one (1) fiscal year.

“The bonds shall be general obligations of the State of Arkansas, payable from general revenues of the state and also secured by the full faith and credit of the State of Arkansas, including its general revenues. The bonds shall be issued pursuant to the authority of and the terms set forth in the Arkansas Higher Education Technology and Facility Improvement Act of 2005.”

(c) The ballot title shall be “Issuance of State of Arkansas Higher Education General Obligation Bonds and Pledge of Full Faith and Credit of the State of Arkansas”. On each ballot there shall be printed the title, the proposition set forth in § 6-62-1108(b), and the following:

“FOR issuance of State of Arkansas Higher Education General Obligation Bonds and Pledge the Full Faith and Credit of the State of Arkansas.”

“AGAINST issuance of State of Arkansas Higher Education General Obligation Bonds and Pledge the Full Faith and Credit of the State of Arkansas.”

(d)(1) The county boards of election commissioners in each of the counties of this state shall hold and conduct the election.

(2) Each county board of election commissioners shall take necessary action with respect to the appointment of election officials and other matters as required by law.

(3) The vote shall be canvassed and the result of the vote declared in each county by the board of election commissioners.

(4) Within ten (10) days after the date of the election, the results shall be certified by each board to the Secretary of State, who shall tabulate all returns received and certify to the Governor the total vote for and against the proposition submitted pursuant to this subchapter.

(e) The results of the election shall be proclaimed by the Governor by the publication of the proclamation one (1) time in a newspaper of general circulation in this state. The results as proclaimed shall be conclusive unless a complaint is filed within thirty (30) days after the date of the publication in the Pulaski County Circuit Court challenging the results.

(f)(1) If a majority of the qualified electors voting on the proposition vote in favor of the issuance of the bonds, then the Arkansas Development Finance Authority and the Arkansas Higher Education Coordinating Board shall proceed with the issuance of bonds in the manner and on the terms set forth in this subchapter.

(2) If a majority of the qualified electors voting on the proposition vote against the issuance of the bonds, none of the bonds authorized by this subchapter shall be issued.

(3) Subsequent elections may be called by the Governor if the proposition fails, but each subsequent election may be held no earlier than six (6) months after the date of the preceding election.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1109. Procedure for issuing bonds.**

(a)(1) Prior to the issuance of any series of bonds, the Arkansas Development Finance Authority shall adopt a resolution or trust indenture, which may be a general resolution, series resolution, master trust indenture, series indenture, supplemental indenture, or other form of resolution or indenture, as deemed necessary by the authority, authorizing the issuance of the series of State of Arkansas Higher Education General Obligation Bonds.

(2) Each resolution or trust indenture shall contain the terms, covenants, and conditions as are deemed desirable and consistent with this subchapter, including, without limitation, those pertaining to the establishment and maintenance of funds and accounts, the deposit and investment of the bond proceeds and any pledged revenues, and the rights and obligations of the State of Arkansas, its officers and officials, the authority, and the registered owners of the bonds.

(3) All bonds issued under this subchapter shall be on a parity as to security. The resolutions or trust indentures of the authority may provide for the execution and delivery by the authority of a trust indenture or trust indentures with one (1) or more banks or trust companies located within or without this state containing any of the terms, covenants, and conditions described in this section and any other terms and conditions deemed necessary by the authority, which trust indenture or trust indentures shall be binding upon the authority and the State of Arkansas, and their respective officers and officials.



(b) Any resolution or trust indenture adopted or executed under this section may provide for the retirement and defeasance of the bonds by the depositing of cash or investments in trust to be maintained for that purpose. When the provisions of the resolution or trust indenture are complied with, the bonds being refunded shall not be deemed to be bonds outstanding for the purposes of this subchapter.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1110. Terms of bonds.**

The State of Arkansas Higher Education General Obligation Bonds shall be subject to the following terms and conditions:

(1) Whether or not the interest is subject to federal taxation, the bonds shall be issued in series, as set forth in this section, in amounts sufficient to finance all or part of project costs or to refund bonds, with the respective series to be designated by the year in which issued and by alphabetical designation if more than one (1) series is to be issued in a particular year;

(2) The bonds of each series shall have such date or dates as the Arkansas Development Finance Authority shall determine and shall mature or be subject to mandatory sinking fund redemption over a period ending not later than thirty (30) years after the date of issue of each series;

(3) The bonds of each series shall bear interest at the rate or rates determined by the authority at the time of the sale of the bonds. The bonds may bear interest at either a fixed or a variable rate, or may be convertible from one (1) interest rate mode to another, and the interest shall be payable at such times as the authority shall determine;

(4) As determined by the authority, the bonds:

(A) Shall be issued in the form of bonds registered as to both principal and interest without coupons;

(B) May be in any denominations and made exchangeable for bonds of another form or denomination bearing the same rate of interest;

(C) May be made payable at designated places within or without the State of Arkansas;

(D) May be made subject to redemption prior to maturity in any manner and for any redemption prices; and

(E) May contain other terms and conditions;

(5) Each bond shall be executed with the original or facsimile signatures of the Governor, the Secretary of State, and the Chair of the Arkansas Development Finance Authority and shall have affixed or imprinted on the bond the Great Seal of the State of Arkansas. Delivery of the bonds so executed shall be valid, notwithstanding any change in the persons holding the offices occurring after the bonds have been executed; and

(6) The bonds shall have all the qualities of negotiable instruments under the laws of the State of Arkansas, subject to the provisions

regarding registration of ownership set forth in this section or in the resolution or trust indenture authorizing the bonds.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1111. Sale of bonds.**

(a) The State of Arkansas Higher Education General Obligation Bonds may be sold in the manner, either at private or public sale, and upon terms as the Arkansas Development Finance Authority shall determine to be reasonable and expedient for effectuating the purposes of this subchapter. The bonds may be sold at a price acceptable to the authority, which may include a discount or a premium.

(b) If the bonds are to be sold at public sale, the authority shall give notice of the offering of the bonds in a manner reasonably designed to notify participants in the public finance industry that the offering is being made. The authority shall set the terms and conditions of bidding, including the basis on which the winning bid will be selected.

(c) The authority may:

(1) Structure the sale of bonds utilizing financing techniques recommended by its professional advisors in order to take advantage of market conditions and may obtain the most favorable interest rates consistent with the purposes of this subchapter;

(2) Enter into ancillary agreements in connection with the sale of the bonds that are necessary and advisable, including, without limitation, bond purchase agreements, remarketing agreements, letters of credit, or reimbursement agreements; and

(3) Enter into an interest rate exchange agreement or similar agreement or contract with any person on a competitive or negotiated basis under the terms and conditions as the authority shall determine in compliance with § 15-5-317.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1112. Transfer of funds for debt service.**

(a)(1) On or before the commencement of each fiscal year, the Chief Fiscal Officer of the State shall:

(A) Determine the estimated amount required for payment of all or a part of debt service on the State of Arkansas Higher Education General Obligation Bonds issued under this subchapter during the fiscal year less the amount available for the payment of debt service from estimated moneys to be available to the Arkansas Development Finance Authority from other sources, if any; and

(B) Certify the amount computed under subdivision (a)(1)(A) of this section to the Treasurer of State, who shall transfer the certified amount from the General Revenue Fund Account of the State Apportionment Fund to a trust fund established by the resolution or trust indenture authorizing the bonds as a bond or sinking fund in

order to provide for payment of all or part of the debt service on the bonds issued under this subchapter.

(2) Payments shall be made into the bond or sinking fund not later than one (1) day prior to the due date for the payment of the debt service.

(b) The obligation to make periodic transfers from the General Revenue Fund Account of the State Apportionment Fund to the bond or sinking fund shall constitute a first charge against the General Revenue Fund Account prior to all other uses to which general revenues are devoted, either under present law or under any laws that may be enacted in the future. However, to the extent that other general obligation bonds of the State of Arkansas may subsequently be incurred, all general obligation bonds shall rank on a parity of security with respect to payment from the General Revenue Fund Account.

(c) The resolution or trust indenture authorizing or securing the bonds issued shall identify the funds to which moneys shall be credited and used for the purposes identified in this subchapter. For those purposes, the holder of the trust funds is designated as the disbursing officer to administer those funds in accordance with this subchapter.

(d) Moneys in the bond or sinking fund over and above the amount necessary to ensure the prompt payment of debt service on the bonds may be used for the redemption of bonds prior to maturity in the manner and in accordance with the provisions pertaining to redemption prior to maturity, as set forth in the resolution or trust indenture authorizing or securing the bonds.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1113. Sources of repayment.**

(a) The State of Arkansas Higher Education General Obligation Bonds shall be direct general obligations of the State of Arkansas for the payment of the debt service on which the full faith and credit of the state are irrevocably pledged so long as any of the bonds are outstanding.

(b)(1) The bonds shall be payable from the general revenues of the state, and the amount of general revenues necessary is pledged to the payment of debt service on the bonds and shall remain pledged for those purposes.

(2) Each authorizing resolution or trust indenture may provide for a reserve, credit enhancement, bond insurance, surety bond, or liquidity facility for the bonds.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1114. Deposit and investment of proceeds.**

(a) The proceeds from the sale of the State of Arkansas Higher Education General Obligation Bonds shall be deposited by the recipient, as received, into trust funds or accounts in the name of the



Arkansas Development Finance Authority established pursuant to the resolution or trust indenture authorizing or securing the bonds to accomplish the purposes of this subchapter in amounts or portions as set forth in the resolution or trust indenture securing the bonds.

(b)(1) The holder of the trust funds shall establish separate accounts and subaccounts within the applicable fund to correspond to the applicable series of bonds.

(2) In addition and under the resolution or trust indenture authorizing or securing the bonds, there may be created other funds, accounts, or subaccounts as the authority may determine to be necessary or desirable to accomplish the purposes of this subchapter.

(c) All procedures and methods for application of proceeds of any series of bonds to the financing of project costs shall be developed in consultation with the Arkansas Higher Education Coordinating Board and the Chief Fiscal Officer of the State, set forth in the resolution or trust indenture authorizing or securing the bonds, and maintained as part of the records of the authority.

(d) The holder and administrator of funds, comprised in whole or in part of proceeds of bonds or disbursements from funds established under this subchapter, shall be required by appropriate provision of the resolution or trust indenture authorizing or securing the bonds issued to assist the authority in preparing any report related to the bonds that may be required by this subchapter or other applicable federal or state law.

(e) The proceeds from the sale of the bonds and any money held in any funds created under or authorized by this subchapter may be invested and reinvested in accordance with the resolution or trust indenture authorizing or securing the bonds issued and shall be invested by or at the direction of the authority to the fullest extent practicable pending disbursement for the purposes intended in any of the following:

(1) Direct obligations of the United States, including obligations issued or held in book entry form on the books of the United States Department of the Treasury, or obligations the principal of and interest on which are unconditionally guaranteed by the United States;

(2) Bonds, debentures, notes, or other evidences of indebtedness issued or guaranteed by any United States government agency if the obligations are backed by the full faith and credit of the United States;

(3) Non full faith and credit senior debt obligations issued or guaranteed by United States government agencies;

(4) Money market funds investing exclusively in the investments described in subdivisions (e)(1)-(3) of this section;

(5)(A) Certificates of deposit providing for deposits secured at all times by collateral described in subdivisions (e)(1)-(3) of this section.

(B) The certificates must be issued by commercial bank deposits which are insured by the Federal Deposit Insurance Corporation and collateral of which must be held by a third party.

(C) The holder of the trust funds must have a perfected first security interest in the collateral;

(6) Certificates of deposit, savings accounts, deposit accounts, or money market deposits, all of which are fully insured by the Federal Deposit Insurance Corporation;

(7) Bonds or notes issued by this state, any municipality, county, or school district in this state or by any agency or instrumentality of this state;

(8) Investment agreements with financial institutions or insurance companies that are rated in one (1) of the two (2) highest rating categories of a nationally recognized rating agency;

(9)(A) Repurchase agreements providing for the transfer of securities from a dealer bank or securities firm to the holder of the trust funds and the transfer of cash from the holder of the trust funds to the dealer bank or securities firm with an agreement that the dealer bank or securities firm will repay the cash plus a yield to the holder of the trust funds in exchange for the securities at a specified date.

(B) Repurchase agreements shall satisfy the following criteria:

(i) Repurchase agreements must be between the holder of the trust funds and a dealer bank or securities firm described as follows:

(a) Dealers with at least one hundred million dollars (\$100,000,000) in capital; or

(b) Banks whose deposits are insured by the Federal Deposit Insurance Corporation; and

(ii) The written repurchase agreement contract must include the following:

(a) Securities that are acceptable for transfer are those listed in subdivisions (e)(1)-(3) of this section;

(b) The term of the repurchase agreement may not exceed thirty (30) calendar days;

(c) The collateral must be delivered to the holder of the trust funds, a trustee if a trustee is not supplying the collateral, or a third party acting as agent for the trustee if the trustee is supplying the collateral before or simultaneously with payment; and

(d)(1) The securities must be valued weekly, marked-to-market at current market price plus accrued interest.

(2)(A) The value of collateral must be equal to one hundred three percent (103%) of the amount of cash transferred by the holder of the trust funds to the dealer bank or security firm under the repurchase agreement plus accrued interest.

(B) If the value of securities held as collateral declines below one hundred three percent (103%) of the value of the cash transferred by the holder of the trust funds, then additional cash or acceptable securities, or both, must be transferred and held by the holder of the trust funds; and

(10) Any other investment authorized by state law.

**6-62-1115. Use of bond proceeds.**

(a) The proceeds of the State of Arkansas Higher Education General Obligation Bonds issued under this subchapter for nonrefunding purposes, after the funding of any necessary reserve and the costs associated with the issuance of and security for the bonds, shall only be disbursed for project costs when requisitioned by the Chair of the Arkansas Higher Education Coordinating Board or his or her designee and approved by the Chief Fiscal Officer of the State or his or her designee.

(b) The requisition under subsection (a) of this section shall certify that the funds disbursed are for the payment of project costs that are authorized to be financed under this subchapter and that have been duly approved by the board.

(c) The proceeds of the bonds issued pursuant to this subchapter for refunding purposes, after the funding of any necessary reserve and costs associated with the issuance of and security for the bonds and the defeasance of the bonds to be refunded, shall be used by the Arkansas Development Finance Authority to directly pay or establish a trust fund to serve as an escrow account for the purpose of payment or defeasance of bonds issued under this subchapter or under the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq.

**History.** Acts 2005, No. 1282, § 1.

**6-62-1116. Refunding bonds.**

(a)(1) The Arkansas Development Finance Authority may issue bonds for the purpose of refunding bonds previously issued pursuant to this subchapter or the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq.

(2) To the extent that the refunding bonds are issued to refund State of Arkansas Higher Education General Obligation Bonds issued under this subchapter and the principal amount of the refunding bonds is not in a greater principal amount than the outstanding principal amount of the bonds being refunded, the principal amount of the refunding bonds shall not be subject to the two hundred fifty million dollar limit in § 6-62-1105.

(b) The refunding bonds shall be general obligations of the State of Arkansas, secured as set forth in this subchapter, and secured and sold in accordance with the provisions of this subchapter.

(c) The proceeds of the refunding bonds may be either applied to the payment of the bonds being refunded or deposited in trust and there maintained in cash or investments for the retirement of the bonds refunded, as shall be specified by the authority and the authorizing resolution or trust indenture. The principal amount of the bonds refunded after payment and defeasance shall not be deemed outstanding for purposes of this subchapter.

(d)(1) The authorizing resolution or trust indenture securing the refunding bonds may provide, if the bonds being refunded were issued



under this subchapter, that the refunding bonds shall have the same security for their payment as provided for the bonds being refunded.

(2) Refunding bonds shall be sold and secured in accordance with the provisions of this subchapter pertaining to the sale and security of the bonds.

(3) Other than approval of the resolution or trust indenture under which refunding bonds are issued by appropriate action of the authority, no additional action or approval for the issuance of refunding bonds shall be required to be taken by the Arkansas Higher Education Coordinating Board or the Chief Fiscal Officer of the State under this subchapter or as otherwise may be provided by other law.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1117. Tax exemption.**

All State of Arkansas Higher Education General Obligation Bonds issued under this subchapter and interest on the bond proceeds shall be exempt from all state taxes, including income, inheritance, and property taxes. The bonds shall be eligible to secure deposits of all public funds and shall be legal for investment of municipal, county, bank, fiduciary, insurance company, and trust funds.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1118. Employment of professionals.**

The Arkansas Development Finance Authority is authorized to retain those professionals as it deems necessary to accomplish the issuance and sale of the State of Arkansas Higher Education General Obligation Bonds, including, without limitation, legal counsel, financial advisors, underwriters, trustees, paying agents, and remarketing agents.

**History.** Acts 2005, No. 1282, § 1.

### **6-62-1119. Construction.**

(a) This subchapter shall be liberally construed to accomplish its purposes. This subchapter shall constitute the sole authority necessary to accomplish the purposes of this subchapter, and the provisions of other laws pertaining to the development of technology projects and facility improvement projects and the financing shall not apply, except as specifically set forth in this subchapter.

(b) This subchapter shall supplement existing laws conferring rights and powers upon the Arkansas Development Finance Authority and the Arkansas Higher Education Coordinating Board, and the rights and powers set forth in this subchapter shall be alternative methods for the accomplishment of the purposes of this subchapter.

**History.** Acts 2005, No. 1282, § 1.

**6-62-1120. Rights and liabilities — Enforcement.**

(a) This subchapter shall constitute a contract between the State of Arkansas and the registered owners of all State of Arkansas Higher Education General Obligation Bonds issued under this subchapter that shall never be impaired. Any violation of terms of this subchapter, whether under purported legislative authority or otherwise, shall be enjoined by the courts at the suit of any bondholder or of any taxpayer.

(b) The courts in a suit against the Arkansas Development Finance Authority or the Arkansas Higher Education Coordinating Board, the Treasurer of State, or other appropriate officer or official of this state shall prevent a diversion of any revenues pledged under this subchapter and shall compel the restoration of diverted revenues by injunction or mandamus.

(c) Without limitation as to any other appropriate remedy at law or in equity, any bondholder by an appropriate action, including without limitation, injunction or mandamus, may compel the performance of all covenants and obligations of the State of Arkansas and its officers and officials under this subchapter.

**History.** Acts 2005, No. 1282, § 1.

**6-62-1121. Rights and liabilities — Commencement.**

(a) This subchapter shall not create any right of any character and no right of any character shall arise under or pursuant to this subchapter until the first series of State of Arkansas Higher Education General Obligation Bonds authorized by this subchapter shall have been sold and delivered.

(b) The issuance of bonds authorized by this subchapter shall not impair or affect any outstanding bonds of the Arkansas Development Finance Authority issued under the Arkansas College Savings Bond Act of 1989, § 6-62-701 et seq.

**History.** Acts 2005, No. 1282, § 1.

**6-62-1122. Judicial review — Priority.**

All cases involving the validity of this subchapter or any portion of this subchapter or in any way arising under this subchapter or involving the State of Arkansas Higher Education General Obligation Bonds issued under this subchapter shall be deemed of public interest and shall be advanced by all courts and heard as a preferred cause. All appeals from judgments or decrees rendered in these cases must be taken within thirty (30) days after the rendition of the judgment or decree.

**History.** Acts 2005, No. 1282, § 1.

## CHAPTER 63

## EMPLOYEES OF STATE INSTITUTIONS

## SUBCHAPTER.

1. GENERAL PROVISIONS.
  3. HIGHER EDUCATION EXPENDITURE RESTRICTION ACT.
  4. FACULTY/ADMINISTRATOR DEVELOPMENT FELLOWS. [REPEALED.]
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**A.C.R.C. Notes.** Acts 2011, No. 1078, § 43, provided: “CLINICAL EXPANSION AND RESEARCH POOL. (a) In order to address personnel needs emerging from expanding medical research and patient care issues and the necessity of recruiting and retaining qualified medical, research, and related support personnel, the University of Arkansas for Medical Sciences or its successor is authorized for the 2011-2012 fiscal year a pool of seven hundred (700) “Clinical Expansion and Research Pool” positions. These positions are to be used by the University of Arkansas for Medical Sciences in the event that the personal services needs resulting from unanticipated clinical or research programs that are initiated during the 2011-2012 fiscal year require additional positions, either in title, in classification, or in number, that are not authorized or contemplated by the General Assembly in Section 1 of this Act.

“(b) The University of Arkansas for Medical Sciences is authorized to access the ‘Clinical Expansion and Research Pool’ positions authorized in this Section at any time during the fiscal year when it is determined by the Chancellor of the University of Arkansas for Medical Sciences, subject to the review and approval by the Board of Trustees, that the need for additional positions exists. Only Medical or research positions shall be established under this provision. The Chancellor of the University of Arkansas for Medical Sciences shall provide a quarterly report detailing the justification of allocation of positions from this ‘Clinical Expansion and Research Pool’ to the Chief Fiscal Officer of the State, to the Department of Higher Education, and to the Arkansas Legislative Council or Joint Budget Committee for review. The report shall also

include an accounting of the names, titles and salaries of personnel who have been employed in positions established from this pool and the source and duration of funds associated with the positions.

“(c) If the University of Arkansas for Medical Sciences requests continuation of any ‘Clinical Expansion and Research Pool’ position(s) as established herein during the next fiscal year, the position(s) must be requested as a new position(s) in the agency’s budget request.

“(d) Determining the number of personnel to be employed by a state agency is the prerogative of the General Assembly and is usually accomplished by delineating the maximum number of personnel by identifying job titles and the maximum grade or salary attached to those titles. The General Assembly has determined that the University of Arkansas for Medical Sciences could be operated more efficiently if some flexibility is given to that institution. That flexibility is being accomplished by providing a position pool in Subsection (a) of this Section and since the General Assembly has granted the agency broad powers under the growth pool concept, it is both necessary and appropriate that the General Assembly maintain oversight of the utilization of the position pool by requiring review of the Legislative Council or Joint Budget Committee in the utilization of the position pool. Therefore, the requirement of review by the Legislative Council or Joint Budget Committee is not a severable part of this section. If the requirement of review by the Legislative Council or Joint Budget Committee is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”



## SUBCHAPTER 1 — GENERAL PROVISIONS

### SECTION.

6-63-103. Affirmative action programs —  
Plans — Annual reports.

### 6-63-103. Affirmative action programs — Plans — Annual reports.

(a)(1) Each state-supported institution of higher education shall prepare an affirmative action program for the recruitment of African-Americans and other members of minorities for faculty and staff positions and for enrollment as students.

(2) Affirmative action plans shall be prepared on a continuing basis for future five-year periods.

(b)(1) Each state-supported institution of higher education shall prepare annually a summary report on the steps that have been taken to reach the goals of the plan.

(2) The report shall:

(A) Include information on the progress made by each institution for the various levels of employment within the institution; and

(B) Be presented in a table format limited to no more than five (5) pages.

(c) Copies of the five-year plan and annual reports summaries of each institution of higher education shall be included in the Comprehensive Arkansas Higher Education Annual Report, filed with the Governor, the Department of Higher Education, the president and board of trustees of the institution, the board of visitors of the institution, if applicable, and the interim House Committee on Education and the interim Senate Committee on Education.

(d) In carrying out the affirmative action plans, each institution of higher education shall provide for a part-time or full-time employee to assist the institution in the recruitment of African-Americans and other members of minorities for faculty and staff positions and for enrollment as students.

**History.** Acts 1989, No. 99, § 1; 1997, No. 112, § 21; 2011, No. 696, § 4.

**Amendments.** The 2011 amendment subdivided (a) and (b); substituted "institution of higher education" for "colleges and universities" in (a)(1) and (b)(1); substituted "African-Americans" for "blacks" in (a)(1) and (d); substituted "prepare an-

nually a summary report" for "annually prepare a report" in (b)(1); added (b)(2)(B); in (c), deleted "each institution's" following "Copies of" and inserted "summaries of each institution of higher education" and "included in the Comprehensive Higher Education Annual Report"; and inserted "of higher education" in (d).

## SUBCHAPTER 3 — HIGHER EDUCATION EXPENDITURE RESTRICTION ACT

### SECTION.

6-63-305. New or additional positions.

6-63-310. [Repealed.]

6-63-312. Contingency appropriations —  
Transfers and reports.

### SECTION.

6-63-314. Extra help restrictions.

6-63-316. Reporting of salaries of administrators.

**Effective Dates.** Acts 2003 (1st Ex. Sess.), No. 30, § 37: July 1, 2003. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2003 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2003 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2003."

Acts 2005, No. 2123, § 38: July 1, 2005. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2005 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2005 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2005."

Acts 2005, No. 2124, § 36: July 1, 2005. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2005 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2005 could work irreparable harm upon the proper administration and provision of essential govern-

mental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2005."

Acts 2005, No. 2200, § 2: July 1, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas, that various changes in law are needed for the institutions of higher education including the authorization of additional positions due to additional funds received other than general revenue for various programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2005."

Acts 2007, No. 620, § 2: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that institutions of higher education may receive additional revenue from sources other than general revenue; that revisions to the number of provisional positions may be necessary to serve the students enrolled for the 2007-2008 and 2008-2009 academic years; that this act is immediately necessary to prevent unnecessary delay in the education of students. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2007."

Acts 2007, No. 1229, § 45: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2007 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2007 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health



and safety shall be in full force and effect from and after July 1, 2007.”

Acts 2007, No. 1255, § 42: July 1, 2007. Emergency clause provided: “It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2007 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2007 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2007.”

Acts 2009, No. 245, § 2: July 1, 2009. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that institutions of higher education may receive additional revenue from sources other than general revenue; that revisions to the

number of provisional positions may be necessary to serve the students enrolled for the 2009-2010 and 2010-2011 academic years; that expedited implementation of this act is necessary so that the affected institutions of higher education can properly prepare for the upcoming academic year; that the failure to implement this act by July 1, 2009, will cause irreparable harm to the education of the students enrolled for the 2009-2010 academic year. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2009.”

Acts 2009, No. 688, § 15: July 1, 2009. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that the fiscal year for employees begins on July 1 of every year and that the implementation of the Uniform Classification and Compensation Act is immediately necessary to ensure the continued services and operations of the state. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2009.”

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### 6-63-305. New or additional positions.

(a)(1) In the event that additional federal funds, grants, gifts, or collections become available that were not authorized or contemplated at the time of the passage of the fiscal year appropriation act for operations for each institution enumerated in subsection (b) of this section, that such new funds make it possible for the recipient institution to engage in educational projects that would be of benefit to the State of Arkansas, and that such projects would make it necessary to employ additional personnel, the president of the recipient institution may establish the positions if:

(A) A request for a specific nonclassified position, title, and salary has been requested by the institution of higher education, approved by the institution’s board of trustees, recommended by the Department of Higher Education, and reported to the Legislative Council; or

(B) A request for a specific classified position will be assigned only after a specific position, title, and grade are requested by the institution of higher education, approved by the institution’s board of trustees, recommended by the Office of Personnel Management, and reported to the Legislative Council; and



(C) The salary rates for these positions do not exceed the highest maximum annual salary rate or the highest grade level for any position authorized in the regular salary section of the requesting institution's appropriation act for operations, under the Uniform Classification and Compensation Act, § 21-5-201 et seq., or its successor.

(2) The number of additional positions shall not exceed the maximum number of positions authorized for the institution in the appropriation act for operations.

(3) The source of funding for positions established under this subsection (a) shall be reported to the office and the Legislative Council by the institution at the time of the request.

(4) Determining the number of persons to be employed by a state agency is the prerogative of the General Assembly and is usually accomplished by delineating the maximum number of persons by identifying the job titles and the maximum grades or salaries attached to them. The General Assembly has determined that the institutions of higher education could be operated more efficiently if some flexibility were given to the institutions. That flexibility is being accomplished by providing new or additional positions in subsection (b) of this section, and since the General Assembly has granted the institutions broad powers under the new or additional position concept, it is both necessary and appropriate that the General Assembly maintain oversight of the utilization of the new or additional positions by requiring prior approval of the Legislative Council in the utilization of the new or additional positions. Therefore, the requirement of approval by the Legislative Council is not a severable part of this section. If the requirement of approval by the Legislative Council is ruled unconstitutional by a court of competent jurisdiction, this entire section is void.

(b) The following maximum number of new additional positions is established for the biennium for the following institutions of higher education at salary rates not to exceed the salary rate or the highest grade level position of comparable positions established in the regular salaries section of the appropriations act for operations for each institution:

Institution	Maximum Number of Additional Positions
-----	-----
(1) Arkansas State University	300
(2) Arkansas State University — Mountain Home	40
(3) Arkansas State University — Beebe	100
(4) Arkansas State University — Newport	60
(5) Arkansas Tech University	65
(6) Black River Technical College	44

(7) Cossatot Community College of the University of Arkansas	105
(8) East Arkansas Community College	40
(9) National Park Community College	40
(10) Henderson State University	60
(11) Mid-South Community College	75
(12) Arkansas Northeastern College	70
(13) North Arkansas College	70
(14) Northwest Arkansas Community College	80
(15) Ouachita Technical College	40
(16) Ozarka College	46
(17) University of Arkansas Community College at Morrilton	40
(18) Phillips Community College of the University of Arkansas	40
(19) Pulaski Technical College	80
(20) Rich Mountain Community College	40
(21) South Arkansas Community College	50
(22) Southeast Arkansas College	40
(23) Southern Arkansas University	60
(24) SAU — Tech	40
(25) University of Arkansas at Fayetteville	500
(26) University of Arkansas — Exp. Stations	250
(27) University of Arkansas Cooperative Extension Service	250
(28) University of Arkansas — Archaeological Survey	150
(29) University of Arkansas — Criminal Justice Institute	250
(30) University of Arkansas at Little Rock	300
(31) University of Arkansas — Medical Sciences	1,000
(32) University of Arkansas at Monticello	100
(33) University of Arkansas at Pine Bluff	130
(34) University of Arkansas Community College at Batesville	40
(35) University of Arkansas Community College at Hope	40
(36) University of Central Arkansas	300
(37) University of Arkansas at Fort Smith	40
(38) University of Arkansas — Arkansas School for Mathematics, Science, and the Arts	60

(39) University of Arkansas — Clinton  
School of Public Service

75

(c) The positions established under this subchapter shall expire at the end of the fiscal year in which they are established.

(d) Each institution shall include in its annual budget request presented to the Legislative Council a request to continue any position authorized under this subchapter.

**History.** Acts 1983, No. 147, § 4; 1985, No. 845, § 1; A.S.A. 1947, § 80-5604; Acts 1989, No. 36, § 1; 1991, No. 1089, § 1; 1993, No. 823, § 2; 1995, No. 70, § 1; 1995, No. 1164, §§ 1, 3; 1999, No. 664, § 1; 2001, No. 739, § 1; 2003, No. 1460, § 1; 2003 (1st Ex. Sess.), No. 30, § 33; 2005, No. 2123, § 34; No. 2200, § 1; 2007, No. 620, § 1; No. 1255, § 38; 2009, No. 245, § 1; 2009, No. 688, § 1; 2009, No. 1334, § 37.

**A.C.R.C. Notes.** The amendment to § 6-63-305(b)(31) made by Acts 2009, No. 1334, § 37 made no change. The amendment incorrectly designated § 6-63-305(b)(31) as § 6-63-305(b)(32).

**Amendments.** The 2007 amendment by No. 620 substituted “300” for “200” in (b)(1); deleted former (b)(6) and redesignated the remaining subsections accordingly; substituted “70” for “60” in (7); substituted “75” for “50” in (11); substituted “70” for “50” in (12); substituted “50” for “40” in (13); substituted “80” for “60” in (19); substituted “60” for 40” in (23); sub-

stituted “130” for “100” in (33); and substituted “300” for “50” in (36).

The 2007 amendment by No. 1255 made a stylistic change in (b)(31).

The 2009 amendment by No. 245 substituted “100” for “80” in (b)(3); substituted “105” for “70” in (b)(7), substituted “70” for “50” in (b)(13); and substituted “50” for “40” in (b)(21).

The 2009 amendment by No. 688, in (a), inserted (a)(1)(A) through (a)(1)(C) and (a)(2), deleted former (a)(2), and redesignated accordingly; deleted “upon authorization by the appropriate board of trustees and after review and approval by the Office of Personnel Management and the Legislative Council of the requested classifications or maximum annual salaries set out in dollars, may establish such the positions, as necessary” in the introductory language; inserted “or the highest grade level position” in the introductory language of (b); inserted (c) and (d); and made related changes.

The 2009 amendment by No. 1334 made no change in (b)(31).

## 6-63-310. [Repealed.]

**Publisher’s Notes.** This section, concerning reorganization and consolidation of administrative functions; authorized transfers, was repealed by Acts 2007, No.

1229, § 15. The section was derived from Acts 1983, No. 147, § 15, as added by Acts 1985, No. 845, § 2; A.S.A. 1947, § 80-5615.

## 6-63-312. Contingency appropriations — Transfers and reports.

(a) Upon approval by the Department of Higher Education and the Chief Fiscal Officer of the State, institutions of higher education may transfer appropriation from the cash contingency appropriation to any other appropriation made to the institution from cash funds and institutions may transfer appropriation from the contingency appropriation made payable from each institution’s State Treasury Fund to the state operations appropriation made payable from each institution’s State Treasury Fund.

(b) The department shall report monthly to the Legislative Council these appropriation transfers, and the report shall include, by institu-



tion, the amounts transferred, the reasons therefor, and the source of the funds.

**History.** Acts 1983, No. 147, § 8; A.S.A. 1947, § 80-5608; Acts 2005, No. 2124, § 31.

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 33, provided: "TRANSFER AND REPORTS.

"(a) Upon approval by the Department of Higher Education and the Chief Fiscal Officer of the State, institutions of higher education may transfer appropriation from the cash contingency appropriation to any other appropriation made to the institution from cash funds including the establishment of commitment items, and may transfer appropriation from the contingency appropriation made payable from each institution's State Treasury Fund to the state operations appropriation made payable from each institution's State Treasury Fund including the establishment of commitment items, and may transfer appropriation from the contingency appropriation made payable from the Tobacco Settlement Program Fund Accounts to any other appropriation made to the institution from Tobacco Settlement Program Fund Accounts including the establishment of commitment items.

"(b) Contingency appropriation transfers shall only establish and supplement commitment items that were recommended by the Higher Education Coordinating Board in the budget manuals presented to the Legislative Council and Joint Budget Committee.

"(c) The Department of Higher Education shall report contingency appropriation transfers and the establishment of any commitment items authorized by this Section to the Legislative Council or Joint Budget Committee for review during its July meeting. The report shall include, by institution, the establishment of, and the amounts transferred to, each commitment item, the reasons therefor and the source of funds. Institutions shall submit contingency appropriation transfer and commitment item establishment requests authorized by this Section to the Department of Higher Education no later than July 1. Upon the failure of an institution to submit the required information by the July 1 deadline, the Department of Higher Education shall immediately notify by written notification the chairpersons of the Legislative Council or Joint Budget Committee."

### 6-63-314. Extra help restrictions.

No employee of an institution of higher education who is employed as extra help may be employed for a period of time to exceed one thousand five hundred (1,500) hours per fiscal year.

**History.** Acts 1991, No. 1089, § 3; 2005, No. 251, § 1.

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 16, provided: "EMERGENCY GRANTS & EXTRA HELP POOL. An Institution of higher education that suffers an emergency/disaster event resulting in all or a significant portion of campus operations being interrupted, may request disaster assistance through the Arkansas Department of Higher Education. Upon the declaration of an emergency by the Governor, the institution may request, subject to the recommendation of the Director of the Department of Higher Education and approval of the Governor, a grant from the Disaster Relief Fund to assist in returning

that campus to operation and/or to a sister campus providing services to the students from the affected campus. Certified law enforcement officers employed by an institution of higher education may be granted jurisdiction at the sister institution, upon agreement of both institutions. The Department of Higher Education is authorized a pool of 500 extra help positions for use in such emergency situations. These positions may be assigned to the campus suffering the disaster event or to a sister campus providing services to the students from the affected campus. The Governor may waive the 1,500 hour limit of ACA 6-63-314 on these assigned extra help pool positions.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

### **6-63-316. Reporting of salaries of administrators.**

(a) As used in this section, "administrator" means an employee included as executive, administrative, or managerial on the IPEDS/EEO-6 reports.

(b)(1) A state-supported institution of higher education shall submit a report listing each administrator at the state-supported institution of higher education who earns a salary of one hundred thousand dollars (\$100,000) or more to the Arkansas Higher Education Coordinating Board and the Department of Higher Education by July 1 each year, beginning July 1, 2010.

(2) The report shall be posted on the department website no later than July 15 each year, beginning July 15, 2010.

(c) The report shall include:

(1) Each administrator's:

- (A) Name;
- (B) Position;
- (C) Salary;
- (D) Retirement matching;
- (E) Health insurance matching;
- (F) Life insurance matching; and
- (G) Social security matching;

(2) All special contract provisions for each administrator such as:

- (A) A house provided or a housing allowance;
- (B) A vehicle provided or a vehicle allowance;
- (C) Deferred compensations; or
- (D) Other fringe benefits not provided all employees;

(3) The total value of each administrator's compensation package; and

(4) The funding source for each benefit in an administrator's compensation package.

**History.** Acts 2009, No. 321, § 1.

## **SUBCHAPTER 4 — FACULTY/ADMINISTRATOR DEVELOPMENT FELLOWS**

### **SECTION.**

6-63-401 — 6-63-415. [Repealed.]

### **6-63-401 — 6-63-415. [Repealed.]**

**Publisher's Notes.** This subchapter was repealed by Acts 2009, No. 1219, § 1. The subchapter was derived from the following sources:

6-63-401. Acts 1985, No. 229, § 1; A.S.A. 1947, § 80-4711.

6-63-402. Acts 1985, No. 229, § 2; A.S.A. 1947, § 80-4712.

6-63-403. Acts 1985, No. 229, § 6; A.S.A. 1947, § 80-4716.

6-63-404. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.

- 6-63-405. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715; Acts 1993, No. 414, § 1.
- 6-63-406. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.
- 6-63-407. Acts 1985, No. 229, § 2; A.S.A. 1947, § 80-4712.
- 6-63-408. Acts 1985, No. 229, § 3; A.S.A. 1947, § 80-4713.
- 6-63-409. Acts 1985, No. 229, § 4; A.S.A. 1947, § 80-4714.
- 6-63-410. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.
- 6-63-411. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.
- 6-63-412. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.
- 6-63-413. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.
- 6-63-414. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.
- 6-63-415. Acts 1985, No. 229, § 5; A.S.A. 1947, § 80-4715.

## CHAPTER 64

### UNIVERSITY OF ARKANSAS

#### SUBCHAPTER.

1. GENERAL PROVISIONS.
2. BOARD OF TRUSTEES.
3. CAMPUSES ESTABLISHED.
4. MEDICAL DEPARTMENT GENERALLY.
10. FINANCES.
12. TRAINING OF LAW ENFORCEMENT OFFICIALS AND JAIL PERSONNEL.

**A.C.R.C. Notes.** Acts 2005, No. 2125, § 22, provided: "SPECIAL LANGUAGE. TYPE 2 TRANSFER. Effective July 1, 2005, all duties, functions, records, property, obligations, personnel, and authority to levy and collect diagnostic and laboratory fees, pursuant to Arkansas Code § 2-

33-111 and § 2-33-112, for the Springdale Laboratory of the Arkansas Livestock and Poultry Commission are hereby transferred by a Type 2 transfer from the Arkansas Livestock and Poultry Commission to the Division of Agriculture of the University of Arkansas."

#### SUBCHAPTER 1 — GENERAL PROVISIONS

##### SECTION.

6-64-106. Division of Agriculture — Service on boards or commissions.

##### SECTION.

6-64-112. Lead agency for Arkansas Victim Assistance Academy.

**Effective Dates.** Acts 2009, No. 961, § 2: Apr. 6, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that this act is necessary to designate a lead agency in order to facilitate obtaining funding for the Arkansas Victim Assistance Academy; and that this act is immediately necessary because failure to act immediately could cause harm to funding

efforts and cause irreparable harm to the academy. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the



bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

### **6-64-106. Division of Agriculture — Service on boards or commissions.**

(a) No person employed by the Division of Agriculture of the University of Arkansas System may serve as a voting member of any board or commission which regulates activities in areas in which the division has responsibility for conducting research and extension programs.

(b) Such persons shall serve as ex officio members of such boards or commissions as required by statute.

(c) The division shall act in an advisory capacity to all such boards and commissions and is designated as the lead institution for such support.

(d) The Vice President for Agriculture, subject to approval by the President of the University of Arkansas System, shall determine the areas of responsibility of the division.

**History.** Acts 1995, No. 166, § 1.

**Publisher’s Notes.** This section is being set out to substitute “Division of Agriculture of the University of Arkansas Sys-

tem” for “college” and “division” for “College of Agriculture” in (a) and “division” for “college” in (c) and (d).

### **6-64-109. Housing allowance for chaplain.**

**A.C.R.C. Notes.** Acts 2011, No. 1078, § 37, provided: “CHAPLAIN HOUSING ALLOWANCE. The Chancellor of the University of Arkansas for Medical Sciences may designate up to forty-five percent (45%) of the regular gross salary (or stipend) of a minister or other clergy employed as a Chaplain or appointed as a Chaplain Resident, as a housing allow-

ance, to the extent used by the person to rent or provide a home, according to the guidelines of the Internal Revenue Service Code, Section 107 and the Arkansas Code 26-51-404(b)(9).

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

### **6-64-112. Lead agency for Arkansas Victim Assistance Academy.**

(a) The Department of Criminal Justice at the University of Arkansas at Little Rock is designated as the lead agency responsible for implementing all training programs and related activities that fall under the umbrella of the Arkansas Victim Assistance Academy.

(b) The department may promulgate rules necessary to carry out the purpose of this section.

**History.** Acts 2009, No. 961, § 1.

## SUBCHAPTER 2 — BOARD OF TRUSTEES

### SECTION.

6-64-215. Records and reports regarding students and teachers.

### 6-64-215. Records and reports regarding students and teachers.

(a) The Board of Trustees of the University of Arkansas shall keep or have kept a record showing:

- (1) The number of students enrolled;
- (2) The daily average attendance at classwork for each month and for the term;
- (3) The number of teachers employed and their salary;
- (4) The teachers' daily attendance on and absence from classwork; and
- (5) The number of hours the teacher is required to teach each day in each department.

(b) This record shall be open to any citizen at all reasonable hours.

(c) The board shall report to each session of the General Assembly the number of students enrolled, the daily average attendance on classwork for the month and for the term, the number of teachers employed and their salaries and the hours each is to teach each day, and their absence from and attendance on classwork.

(d) A failure to keep or have kept this record and to report to the General Assembly as provided in this section shall be a violation, and upon conviction a person shall be fined not less than twenty-five dollars (\$25.00) nor more than one hundred dollars (\$100) for each offense upon the part of each member of the board.

**History.** Acts 1913, No. 224, § 10; C. & §§ 13139-13141; A.S.A. 1947, §§ 80-2814 M. Dig., §§ 9520-9522; Pope's Dig., — 80-2816; Acts 2005, No. 1994, § 187.

## SUBCHAPTER 3 — CAMPUSES ESTABLISHED

### SECTION.

6-64-302. Monticello — Establishment — Board of Visitors.

### 6-64-301. Little Rock — Establishment.

**A.C.R.C. Notes.** Acts 2005, No. 2112, § 4, provided: "NANOTECHNOLOGY CONTRACTS. In order to ensure the states investment in nanotechnology, the Department of Economic Development and the University of Arkansas at Little Rock shall enter into an interagency agreement that provides safeguards for the ongoing related research and projects involving the study and application of nanotechnology. The interagency agreement and any contractual agreement(s)

that may be made between the University of Arkansas at Little Rock and the Nanotechnology research team shall be reviewed by the Office of Attorney General prior to the execution of said agreements, before any funds may be disbursed by the Department of Economic Development to the University of Arkansas at Little Rock for nanotechnology."

Acts 2011, No. 971, § 6, provided: "SPECIAL ALLOWANCES. For the purpose of providing necessary allowances for hous-

ing and other unusual expenses incurred by or in behalf of the athletic director, assistant athletic directors, head coaches, and assistant coaches at the University of Arkansas at Little Rock, the Board of Trustees may make special allowances available therefor in such amounts as the Board of Trustees may determine as justified, an equitable allowance in view of the unusual and exacting duties of said athletic director, assistant athletic directors, head coaches, and assistant coaches, and for the purpose of providing such allowances, the Board of Trustees is authorized to expend from the auxiliary income of the University of Arkansas at Little Rock, which is derived from athletic event receipts, an amount not to exceed twenty thousand dollars (\$20,000) in the aggregate for such purposes during each fiscal year for the athletic director and

head coaches, and ten thousand dollars (\$10,000) in the aggregate for such purposes during each fiscal year for the assistant athletic directors and assistant coaches. Provided that any such allowances shall be in addition to the regular salary of such athletic director, assistant athletic directors, head coaches and assistant coaches, as established herein provided that the amount of such allowance shall not exceed ten thousand dollars (\$10,000) per annum for any one salaried position. Further, if the special allowance funds authorized herein are utilized the University of Arkansas at Little Rock shall report annually to the Legislative Joint Auditing Committee the exact disposition of those special allowances funds.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

#### **6-64-302. Monticello — Establishment — Board of Visitors.**

(a) The Board of Trustees of the University of Arkansas is authorized to establish and operate, as a part thereof, a campus to be known as the University of Arkansas at Monticello, consolidating and incorporating therein the state institution formerly known as Arkansas Agricultural and Mechanical College, which, together with its board of trustees, was abolished as a separate institution with responsibility transferred to the control of the Board of Trustees of the University of Arkansas as a part of the University of Arkansas effective July 1, 1971.

(b)(1) There is established the Board of Visitors for the University of Arkansas at Monticello, which shall consist of twelve (12) members appointed by the Governor.

(2)(A) First, the Governor shall make seven (7) appointments from a list of no fewer than twenty (20) names jointly prepared by the members of the House of Representatives representing the eighth, ninth, tenth, and twelfth house districts and the Senator representing the twenty-fourth senate district.

(B) The seven (7) appointments shall include one (1) each from Ashley, Bradley, Chicot, Cleveland, Desha, Drew, and Lincoln counties.

(3)(A) Second, the Governor shall appoint two (2) members from:

(i) The Board of Directors of Forest Echoes Technical Institute, which after July 1, 2003, shall be known as the University of Arkansas at Monticello College of Technology-Crossett; and

(ii) The Board of Directors of Great Rivers Technical Institute, which after July 1, 2003, shall be known as the University of Arkansas at Monticello College of Technology-McGehee.

(B) The Board of Directors of Forest Echoes Technical Institute, which after July 1, 2003, shall be known as the University of



Arkansas at Monticello College of Technology-Crossett, and Great Rivers Technical Institute, which after July 1, 2003, shall be known as the University of Arkansas at Monticello College of Technology-McGehee, shall be appointed by the Board of Trustees of the University of Arkansas.

(4) The remaining member of the board of visitors shall be appointed by the Governor.

(c)(1)(A) Appointments shall be bipartisan and be for terms of three (3) years.

(B) The Governor shall make appointments to the initial board of visitors and thereafter as terms expire and vacancies occur for any reason, so that at least seven (7) members of the board of visitors will be alumni of the University of Arkansas at Monticello.

(C) After the expiration of the terms of the members initially appointed under subdivision (b)(1)(B) of this section, the members appointed by the Governor in 2006 shall draw lots for staggered terms with the terms of four (4) members expiring in 2007, the terms of four (4) members expiring in 2008, and the terms of four (4) members expiring in 2009.

(D) Appointments after 2006 shall be for terms of three (3) years.

(2) Members may serve no more than two (2) consecutive terms but shall otherwise be eligible for reappointment to the board of visitors.

(3) When there is a vacancy in an unexpired term, the appointee shall serve for the remaining portion of the term.

(d) The general purposes of the board of visitors shall be to:

(1) Perform a liaison function between the University of Arkansas at Monticello and the President and the Board of Trustees of the University of Arkansas;

(2) Aid in securing financial support;

(3) Advise upon and interpret the educational and service needs of the State of Arkansas as they relate to the mission and programs of the University of Arkansas at Monticello;

(4) Aid in the continuing development of the University of Arkansas at Monticello as a major four-year campus of the University of Arkansas; and

(5) Furnish counsel and guidance by advice and recommendations for the University of Arkansas at Monticello.

(e) The Board of Trustees of the University of Arkansas shall maintain and operate the campus at Monticello as a major four-year campus of the University of Arkansas, offering at that location the highest possible quality of high educational programs, shall provide for the sound growth and improvement of the quality of the academic programs, and shall expand its mission to include technical education at Forest Echoes Technical Institute, which after July 1, 2003, shall be known as the University of Arkansas at Monticello College of Technology-Crossett, and Great Rivers Technical Institute, which after July 1, 2003, shall be known as the University of Arkansas at Monticello College of Technology-McGehee.

**History.** Acts 1971, No. 9, § 1; A.S.A. 1947, § 80-2885; Acts 1997, No. 834, § 1; 2003, No. 1196, § 1; 2005, No. 1771, § 1.

## SUBCHAPTER 4 — MEDICAL DEPARTMENT GENERALLY

### SECTION.

- 6-64-406. Admissions generally.
- 6-64-417. College of Nursing and College of Pharmacy program improvements.
- 6-64-418. College of Public Health collaboration.
- 6-64-419. Adult Sickie Cell Clinic of the University of Arkansas for Medical Sciences.

### SECTION.

- 6-64-420. UAMS — Adult Sickie Cell Disease Program.
- 6-64-421. Center for Dental Education.
- 6-64-422. Advanced practice nurses at area health education center.

**Effective Dates.** Acts 2005, No. 2268, § 12: July 1, 2005. Emergency clause provided: “It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2005 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the Regular Session, the delay in the effective date of this Act beyond July 1, 2005 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2005.”

Acts 2011, No. 1078, § 47: July 1, 2011. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2011 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2011 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2011.”

## 6-64-401. Maintenance as part of university.

### CASE NOTES

#### Immunity from Suit.

Medical malpractice claim against the University of Arkansas for Medical Sciences (UAMS) was dismissed, pursuant to an interlocutory appeal, because, as a department of the University of Arkansas, the UAMS was not an entity that could be

sued; the doctrine of sovereign immunity barred a claim against the University of Arkansas and its Board of Trustees because a finding for the patient against the UAMS would necessarily subject the State of Arkansas to financial liability, and sovereign immunity barred such an

action unless it had been waived. Univ. of Ark. for Med. Scis. v. Adams, 354 Ark. 21, 117 S.W.3d 588 (2003).

### **6-64-402. Control and management.**

#### **CASE NOTES**

##### **Immunity from Suit.**

Medical malpractice claim against the University of Arkansas for Medical Sciences (UAMS) was dismissed, pursuant to an interlocutory appeal, because, as a department of the University of Arkansas, the UAMS was not an entity that could be sued; the doctrine of sovereign immunity barred a claim against the University of

Arkansas and its Board of Trustees because a finding for the patient against the UAMS would necessarily subject the State of Arkansas to financial liability, and sovereign immunity barred such an action unless it had been waived. Univ. of Ark. for Med. Scis. v. Adams, 354 Ark. 21, 117 S.W.3d 588 (2003).

### **6-64-403. Costs of maintenance.**

#### **CASE NOTES**

##### **Immunity from Suit.**

Medical malpractice claim against the University of Arkansas for Medical Sciences (UAMS) was dismissed, pursuant to an interlocutory appeal, because, as a department of the University of Arkansas, the UAMS was not an entity that could be sued; the doctrine of sovereign immunity barred a claim against the University of

Arkansas and its Board of Trustees because a finding for the patient against the UAMS would necessarily subject the State of Arkansas to financial liability, and sovereign immunity barred such an action unless it had been waived. Univ. of Ark. for Med. Scis. v. Adams, 354 Ark. 21, 117 S.W.3d 588 (2003).

### **6-64-406. Admissions generally.**

(a)(1) The Board of Trustees of the University of Arkansas shall provide for the admission annually of not less than one hundred fifty (150) freshman students to the College of Medicine. However, the board of trustees may provide for a reduction in this number to any figure not less than ninety (90) during any school year if the admission of freshman students in excess of ninety (90) would endanger the accredited rating of the College of Medicine as determined by the standards of the Association of American Medical Colleges.

(2) Whenever the board of trustees at the University of Arkansas has developed the necessary policies and procedures to enable the Admissions Committee of the College of Medicine to comply with this subsection, the policies and procedures shall be published in the bulletin issued annually by the College of Medicine.

(b)(1)(A) The Board of Trustees of the University of Arkansas shall allocate the first seventy percent (70%) of the first one hundred fifty (150) enrollment positions for the freshman medical class among Arkansas congressional districts, using the population of each congressional district as determined by the last federal decennial census to determine that district's proportion of the freshman positions so



allocated and shall assign those apportioned enrollment positions for each district to those applicants who are legal residents in that particular congressional district.

(B) The board of trustees shall give additional consideration to rural applicants from medically underserved areas in an effort to address health disparities.

(2)(A) The next fifteen percent (15%) of the first one hundred fifty (150) freshman enrollment positions shall be allocated to the state at large and assigned to applicants who are legal residents of any place within Arkansas.

(B) However, in allocating the fifteen percent (15%) to the state at large, the board of trustees may allocate not to exceed one-third (1/3) of the fifteen percent (15%) of the first one hundred fifty (150) freshman enrollment positions to applicants who do not actually reside in the state but who were born and reared and attended public schools in Arkansas and who in addition thereto shall meet two (2) or more of the following criteria:

- (i) Applicant is a registered voter in Arkansas;
- (ii) Applicant holds a current valid Arkansas driver's license;
- (iii) Applicant or parents of applicant are Arkansas taxpayers;
- (iv) Parent of applicant resides in or is employed in Arkansas;
- (v) Applicant meets other related criteria as may be prescribed by the board.

(3) The remaining fifteen percent (15%) of the first one hundred fifty (150) freshman enrollment positions may be assigned either to legal residents or to nonresidents, however, any qualified legal resident shall have a preference in securing an assignment to a position when compared to a nonresident, and the total number of nonresidents assigned positions shall not exceed fifteen percent (15%) of the first one hundred fifty (150) freshman enrollment positions assigned for any school year.

(4) The board of trustees may provide for an alteration in the percentages set forth in this subsection only if the adherence to these percentages would endanger the accredited rating of the College of Medicine as determined by the Standards of the Association of American Medical Colleges.

(c)(1) The board of trustees may provide for additional freshman enrollment positions if the College of Medicine determines it is necessary to address a projected shortage of practicing physicians in the state.

(2) The additional freshman enrollment positions shall be granted to the best qualified applicants as determined by the Admissions Committee of the College of Medicine without regard to residency status.

(d) The selection of freshman medical students shall be accomplished competitively without any favoritism or discrimination on the basis of sex or race, and with due consideration being given scholastic standings, recommendations of the premedical advisory committees of the various schools where the applicants pursue their premedical studies,

their performance on the Medical College Admission Test, and any other procedures that can be developed that would deal fairly with the applicant group as a whole.

(e)(1) The board shall promulgate rules and provide resources to allow the area health education centers to offer programs to prepare identified medical school candidates from medically underserved areas of the state for the Medical College Admission Test.

(2) Preparation for the Medical College Admission Test shall include, but not be limited to:

(A) Recruitment and guidance of individuals interested in health care professions;

(B) Early targeting of potential candidates, including junior high school, high school, two-year college, and four-year college undergraduate students;

(C) Use of community colleges and four-year colleges and universities throughout the state to offer Med Prep and other targeted studies with the aid of video and distance learning tools; and

(D) Ensurance that everyone interested in a medical profession receives an equal opportunity for success.

**History.** Acts 1967, No. 59, §§ 1-3; 1977, No. 231, § 1; 1981, No. 681, § 1; A.S.A. 1947, §§ 80-2906, 80-2906.1, 80-2907; Acts 2003, No. 828, § 2; 2007, No. 836, § 1.

**A.C.R.C. Notes.** Acts 2011, No. 1078, § 36, provided: "ADMISSION POLICY. The University of Arkansas for Medical Sciences shall admit one hundred fifty (150) freshman students in each fiscal year into the College of Medicine. Provided that no funds shall be expended to fund the positions of Chancellor, Dean of Medicine and any academic position until the Chancellor and Dean of Medicine certify to the Arkansas Legislative Council

that the provision of this Section relating to the fiscal year requirement for one hundred fifty (150) freshman student admissions has been implemented.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

**Amendments.** The 2007 amendment substituted "one hundred fifty (150)" for "one hundred twenty (120)" in (a)(1); inserted "first one hundred fifty (150)" or similar language throughout the section, and substituted the same language for "all" in (b)(1)(A) and for "total" in (b)(3); inserted present (c); and redesignated the following subdivisions accordingly.

## 6-64-413. Special allowances.

**A.C.R.C. Notes.** Acts 2011, No. 1078, § 28, provided: "SPECIAL ALLOWANCES — PATIENT CARE & RESEARCH FACULTY. The Board of Trustees may make special allowances available, in such amounts as the Board may determine or justify equitable in view of the exacting duties which are involved, as a part of the salaries of the physicians, dentists, and other professional faculty employed by the University of Arkansas for Medical Sciences from receipts of professional income in the care of patients and/or funds received from federal agencies, foundations, and other private spon-

sors in support of research. Provided that any such allowance shall not exceed, for any employee, an amount equal to two and one half (2 & ½) times that portion of the salary authorized by the General Assembly to be paid from the University of Arkansas Medical Center Fund.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

Acts 2011, No. 1078, § 29, provided: "SPECIAL ALLOWANCES — RECRUITMENT. The Board of Trustees of the University of Arkansas is hereby authorized to make available to the President of the

University of Arkansas special allowances in such amounts as the Board may determine to be justified at the University of Arkansas for Medical Sciences, for the use of the Chancellor and his deans, representatives, department heads, and directors at the University of Arkansas for Medical Sciences in recruitment of faculty and staff members. Upon approval by the President and the Board of Trustees, such funds shall be administered by the Chancellor, who shall assure that the total amount expended for such purposes does not exceed one hundred fifty thousand dollars (\$150,000) each fiscal year or so much thereof as may be authorized by the Board of Trustees. The funds authorized

by this Section shall come from a source other than state tax dollars appropriated by the General Assembly or charges made to students for tuition, fees, room and board, or other purposes. Each year the Chancellor shall furnish to the President of the University of Arkansas, the Board of Trustees, and the Arkansas Legislative Joint Auditing Committee a report showing for each expenditure the date, the amount, the names of persons to whom the expenditure was made, and the purpose for which the expenditure was made.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

#### **6-64-414. Special language and restrictions — Area health education centers.**

**A.C.R.C. Notes.** Acts 2011, No. 1078, § 30, provided: "AREA HEALTH EDUCATION CENTERS — REPORTS. The Chancellor at the University of Arkansas for Medical Sciences shall make annual progress reports of AHEC programs to the Governor, the Legislative Council, and other interested interim committees of the General Assembly regarding the achieve-

ments, the expansion of the aforementioned programs, and amounts expended for the Area Health Education Centers. The reports shall also include the practice locations of the students participating in the programs.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

#### **6-64-417. College of Nursing and College of Pharmacy program improvements.**

(a) Funds received from the State Board of Collection Agencies under § 17-24-305 by the University of Arkansas for Medical Sciences and any interest earnings on the funds by the university shall be used exclusively as follows:

(1) Two-thirds ( $\frac{2}{3}$ ) of the funds shall be used within the College of Nursing for:

(A) Scholarships and stipends for nursing students who are candidates for bachelor's or master's degrees or degrees beyond a master's degree; and

(B) Salary improvements for purposes of retaining and attracting nursing school faculty; and

(2) One-third ( $\frac{1}{3}$ ) of the funds shall be used within the College of Pharmacy for:

(A) Scholarships and stipends for pharmacy students;

(B) Facility improvements required to expand the enrollment of pharmacy students; and

(C) Salary improvements for purposes of retaining and attracting pharmacy school faculty.



(b)(1) The Dean of the University of Arkansas for Medical Sciences College of Nursing shall allocate the funds made available to the College of Nursing under this section.

(2) The Graduate Nurse Educator Loan and Scholarship Board shall make recommendations to the dean regarding the recipients of annual awards, stipends, and scholarships.

(3) A recipient of a scholarship or stipend under this subsection must be a resident of the State of Arkansas.

(c)(1) The Dean of the University of Arkansas for Medical Sciences College of Pharmacy shall allocate the funds made available to the College of Pharmacy under this section.

(2) Using financial aid and academic performance data, the University of Arkansas for Medical Sciences College of Pharmacy Awards and Financial Aid Committee will make recommendations to the faculty regarding the recipients of annual awards, stipends, and scholarships.

(3) A recipient of a stipend or scholarship under this subsection:

(A) Must be a resident of the State of Arkansas;

(B) Is not required to repay a stipend or scholarship; and

(C) Is not required to enter into any agreement with the university or College of Pharmacy requiring the recipient to practice pharmacy in any area of Arkansas after graduation in exchange for a stipend or scholarship.

(d) The university shall report annually the utilization of the funds received by the College of Nursing under this section to the Legislative Council and the Arkansas Legislative Commission on Nursing.

(e) Scholarships and other awards under this section may be granted in addition to other funds awarded to a student under other scholarship and assistance programs.

**History.** Acts 2005, No. 2268, § 8.

**A.C.R.C. Notes.** Acts 2007, No. 1217, § 8, provided: "College of Nursing and College of Pharmacy program improvements.

"(a) Funds received from the State Board of Collection Agencies under § 17-24-305 by the University of Arkansas for Medical Sciences and any interest earnings on the funds by the University of Arkansas for Medical Sciences shall be used exclusively as follows:

"(1) Two-thirds ( $\frac{2}{3}$ ) of the funds shall be used within the College of Nursing for:

"(A) Scholarships and stipends for nursing students who are candidates for bachelor's or master's degrees or degrees beyond a master's degree; and

"(B) Salary improvements for purposes of retaining and attracting nursing school faculty; and

"(2) One-third ( $\frac{1}{3}$ ) of the funds shall be used within the College of Pharmacy for:

"(A) Scholarships and stipends for pharmacy students;

"(B) Facility improvements required to expand the enrollment of pharmacy students; and

"(C) Salary improvements for purposes of retaining and attracting pharmacy school faculty.

"(b)(1) The Dean of the University of Arkansas for Medical Sciences College of Nursing shall allocate the funds made available to the College of Nursing under this section

"(2) The Graduate Nurse Educator Loan and Scholarship Board shall make recommendations to the dean regarding the recipients of annual awards, stipends, and scholarships.

"(3) A recipient of a scholarship or stipend under this subsection (b) must be a resident of the State of Arkansas.

"(c)(1) The Dean of the University of Arkansas for Medical Sciences College of

Pharmacy shall allocate the funds made available to the College of Pharmacy under this section.

“(2) Using financial aid and academic performance data, the University of Arkansas for Medical Sciences College of Pharmacy Awards and Financial Aid Committee will make recommendations to the faculty regarding the recipients of annual awards, stipends, and scholarships.

“(3) A recipient of a stipend or scholarship under this subsection (c):

“(A) Must be a resident of the State of Arkansas;

“(B) Is not required to repay a stipend or scholarship; and

“(C) Is not required to enter into any agreement with the university or College of Pharmacy requiring the recipient to practice pharmacy in any area of Arkansas after graduation in exchange for a stipend or scholarship.

“(d) The University of Arkansas for Medical Sciences shall report annually the utilization of the funds received by the College of Nursing under this section to the Legislative Council and the Arkansas Legislative Commission on Nursing.

“(e) Scholarships and other awards under this section may be granted in addition to other funds awarded to a student under other scholarship and assistance programs.”

### **6-64-418. College of Public Health collaboration.**

It is recommended that the Health Behavior/Health Education Department of the Fay W. Boozman College of Public Health of the University of Arkansas for Medical Sciences collaborate with each education service cooperative, community health agencies, school nurses, counselors, and educators to introduce age-appropriate, research-supported, child abuse prevention curriculum to the children of Arkansas in the public schools.

**History.** Acts 2007, No. 703, § 4.

### **6-64-419. Adult Sickle Cell Clinic of the University of Arkansas for Medical Sciences.**

(a)(1) The Adult Sickle Cell Clinic of the University of Arkansas for Medical Sciences is created.

(2) The clinic shall be a comprehensive clinic at which adults in Arkansas with sickle cell anemia may receive specialty care, including without limitation:

(A) Advanced, specialized health care;

(B) Preventive health care; and

(C) Local health care provider support.

(b) The clinic shall provide services, including without limitation:

(1)(A) An annual visit for comprehensive diagnosis and treatment for adult patients with sickle cell anemia from all over the state.

(B) A patient with more severe complications from sickle cell anemia may receive more frequent treatment as needed;

(2)(A) On the basis of each comprehensive visit under subdivision (b)(1) of this section, a care plan for that patient is developed to serve as a blueprint for the patient's medical care throughout the year.

(B) For acute medical events, treatment under this section shall be based on the care plan created under subdivision (b)(2)(A) of this section as the guide for management of sickle cell anemia and complications of sickle cell anemia;

(3) Designing a training program regarding sickle cell anemia and complications of sickle cell anemia for:

- (A) Physicians, nurses, and social workers throughout the state;
- (B) Medical students and residents;
- (C) Health care providers; and
- (D) Health care provider students;

(4) Through the Center for Distance Health of the University of Arkansas for Medical Science, training and case consultation with health care providers across the state; and

(5) A program to:

- (A) Track adult patients with sickle cell anemia; and
- (B) Measure the effectiveness of the clinic.

(c)(1) The clinic shall make staff personnel available to primary care physicians and medical staff of area health education centers for consultation regarding sickle cell anemia and complications of sickle cell anemia as needed.

(2) A nurse practitioner employed in this clinic shall be available twenty-four (24) hours per day, seven (7) days per week to receive and respond to telephone calls from physicians or patients regarding sickle cell anemia and complications of sickle cell anemia.

(3) A social worker shall assist patients with sickle cell anemia and their families in finding ways to meet the needs of the patient and his or her family, including without limitation:

- (A) Health-related expenses not covered by insurance plans;
- (B) Transportation costs;
- (C) Employment options; and
- (D) Social and emotional support.

(4) A grassroots community coordinator shall connect the clinic to other health care providers around the state and help connect patients with the clinic.

**History.** Acts 2011, No. 909, § 1.

#### **6-64-420. UAMS — Adult Sickle Cell Disease Program.**

(a) There is hereby established a new program for the comprehensive care of adult sickle cell disease to be known as the University of Arkansas for Medical Sciences Adult Sickle Cell Disease Program.

(b) The program will facilitate the continued development of adult sickle cell disease treatment, preventive care, education, and training for health care professionals and related personnel utilizing the University of Arkansas for Medical Sciences' Area Health Education Centers throughout the State and Center for Distance Health.

(c) Funding for the program will be from general revenue and cash funds from fees for services, donations, grants, and federal funds.

(d) The University of Arkansas for Medical Sciences will not assume responsibility for funding the program until such time as the General Assembly appropriates and funds the program.



**History.** Acts 2011, No. 1078, § 23.

#### **6-64-421. Center for Dental Education.**

(a)(1) There is established a new center in Arkansas for dental education in cooperation with the University of Tennessee College of Dentistry, the University of Arkansas for Medical Sciences, and Arkansas Children's Hospital.

(2) The center shall be known as the University of Arkansas for Medical Sciences Center for Dental Education.

(b) The center will facilitate the continued development of dental education, its specialties, and services for the citizens of Arkansas.

**History.** Acts 2011, No. 981, § 18.

**A.C.R.C. Notes.** Section 6-64-421 is set out above as the codification of Acts 2009, No. 1334, § 18, Acts 2010, No. 287, § 23, and Acts 2011, No. 1078, § 25. Acts 2009, No. 1334, § 18, Acts 2010, No. 287, § 23,

and Acts 2011, No. 1078, § 25, also contained the following: "No appropriation is requested at this time and UAMS will not assume responsibility for its funding until such time as the General Assembly appropriates and funds the Center."

#### **6-64-422. Advanced practice nurses at area health education center.**

(a) The University of Arkansas for Medical Sciences may create a program to:

(1) Train licensed advanced practice nurses for programs operated through area health education centers; and

(2) Employ advanced practice nurses as employees of an area health education center.

(b) A licensed advanced practice nurse with prescriptive authority in training in or employed by an area health education center shall sign a collaborative practice agreement with a physician licensed by the Arkansas State Medical Board.

(c) A collaborative practice agreement under this section shall comply with § 17-87-310 and shall specify without limitation:

(1) The relationships among the physician, the area health education center, and the advanced practice nurse; and

(2) That the licensed advanced practice nurse:

(A) Shall complete the training required to become an advanced practice nurse employee of the area health education center; and

(B) Employee advanced practice nurse, the location within the area served by the area health education center at which the advanced practice nurse will practice.

**History.** Acts 2011, No. 1167, § 1.

## SUBCHAPTER 10 — FINANCES

## SECTION.

6-64-1001. Penalty.

6-64-1013. Diagnostic laboratory services.

**Effective Dates.** Acts 2007, No. 1257, § 31: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2007 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of

the Regular Session, the delay in the effective date of this Act beyond July 1, 2007 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2007."

**6-64-1001. Penalty.**

Any officer or employee who shall violate any of the provisions of § 6-64-213 or §§ 6-64-1005 — 6-64-1009 shall be guilty of a violation and fined any sum not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000) and immediately removed from office.

**History.** Acts 1915, No. 289, § 15; C. & M. Dig., § 9560; Pope's Dig., § 13209; A.S.A. 1947, § 80-2847; Acts 2005, No. 1994, § 72.

**6-64-1004. Athletics Instruction Fund.**

**A.C.R.C. Notes.** Acts 2011, No. 1084, § 23, provided: "ADDITIONAL PAYMENTS AUTHORIZED. The Board of Trustees of the University of Arkansas is hereby authorized to make additional payments to head and assistant coaches at the University of Arkansas, Fayetteville, from revenues generated by contracts with vendors of athletic apparel, shoes, multimedia rights, and other products in such amounts as may be established by the Board of Trustees for performance by the coaches of consulting and other obligations pursuant to contracts between the University and such vendors.

Such additional payments to head and assistant coaches shall not be considered salary and shall not be deemed or construed to exceed the maximum salaries established for such coaches by the General Assembly. Nothing in this section shall be construed to reduce or eliminate the authority granted elsewhere in Arkansas statutes for the payment of allowances or bonuses to coaches at the University of Arkansas, Fayetteville.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

## 6-64-1012. Additional compensation for athletic department.

**A.C.R.C. Notes.** Acts 2011, No. 1084, § 22, provided: "SPECIAL ALLOWANCES. For the purpose of providing necessary allowances for housing and other unusual expenses incurred by or on behalf of the athletic director, associate and assistant athletic directors, head coaches, assistant coaches, offensive coordinators, defensive coordinators, and head trainers in the Athletic Department at the University of Arkansas, Fayetteville, the Board of Trustees may make special allowances available therefore in such amounts as the Board of Trustees may determine as justified, an equitable allowance in view of the unusual and exacting duties of said athletic directors, associate and assistant athletic directors, head coaches, assistant coaches, offensive coordinators, defensive coordinators, and head trainers in the Athletic Department at the University of Arkansas, Fayetteville, and for the purpose of providing such allowances, the Board of Trustees is authorized to expend from the auxiliary income of the University of Arkansas, Fayetteville, which is derived from athletic event receipts, or from contributions from sources other than state funds, an amount not to exceed ten thousand dollars (\$10,000) each for such purposes during each fiscal year for the athletic directors, associate athletic directors, and head coaches, and an amount not to exceed one thousand dol-

lars (\$1,000) each for the assistant athletic directors, assistant coaches, offensive coordinators, defensive coordinators, and head trainers. Any such allowances shall be in addition to the regular salary of such athletic directors, associate and assistant athletic directors, head coaches and assistant coaches. Further, if the special allowance funds authorized herein are utilized the University of Arkansas, Fayetteville shall report annually to the Arkansas Legislative Joint Auditing Committee the exact disposition of those special allowance funds. In recognition of the extra work involved in the participation of intercollegiate athletic teams in post-season competition, and to promote exceptional achievement in the total sports program, the Chancellor of the University of Arkansas, Fayetteville, in accordance with policies issued by the Board of Trustees of the University of Arkansas, may approve additional compensation of up to one month's salary for the Athletic Department and Band personnel when any athletic team participates in post-season competition or achieves exceptional recognition, which shall be in addition to the regular salaries authorized by law, provided that the additional compensation shall be paid from contributions from sources other than public funds.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

## 6-64-1013. Diagnostic laboratory services.

(a) The Division of Agriculture of the University of Arkansas may promulgate rules concerning services performed by its diagnostic laboratories.

(b)(1) A fee structure may be designed and maintained by the division for the purpose of defraying the cost of diagnostic services.

(2)(A) The fees collected shall be deposited in the State Treasury as special revenues and shall be credited to the University of Arkansas Fund to be used exclusively for the diagnostic laboratories of the division.

(B) Before the close of each fiscal year, the Chief Fiscal Officer of the State shall determine the amount of moneys which shall remain at the end of the fiscal year in the account from fees collected under the provisions of this section and shall allow the moneys to be carried forward and made available for the same purposes in the next succeeding fiscal year.



(c) Effective July 1, 2005, all duties, functions, records, property, obligations, personnel, and authority to levy and collect diagnostic and laboratory fees, pursuant to Arkansas Code §§ 2-33-111 and 2-33-112, for the Springdale Laboratory of the Arkansas Livestock and Poultry Commission are hereby transferred by a Type 2 transfer from the Arkansas Livestock and Poultry Commission to the Division of Agriculture of the University of Arkansas.

**History.** Acts 2005, No. 1374, § 1; 2007, No. 1257, § 27; 2009, No. 1427, § 26.

**A.C.R.C. Notes.** Acts 2010, No. 229, § 26, provided: "Effective July 1, 2005, all duties, functions, records, property, obligations, personnel, and authority to levy and collect diagnostic and laboratory fees, pursuant to Arkansas Code § 2-33-111 and § 2-33-112, for the Springdale Labo-

ratory of the Arkansas Livestock and Poultry Commission are hereby transferred by a Type 2 transfer from the Arkansas Livestock and Poultry Commission to the Division of Agriculture of the University of Arkansas."

**Amendments.** The 2007 amendment added (c).

The 2009 amendment made no changes to this section.

## SUBCHAPTER 12 — TRAINING OF LAW ENFORCEMENT OFFICIALS AND JAIL PERSONNEL

### SECTION.

6-64-1201. Definitions.

6-64-1202. Law Enforcement Training Committee — Creation — Duties.

### 6-64-1201. Definitions.

As used in this subchapter:

(1) "Community mental health centers" means those private non-profit organizations certified by the Division of Behavioral Health under § 20-47-202 as community mental health centers and contracted to perform designated public mental health services in the respective catchment areas of the state;

(2) "Crisis Intervention Team" means a community-based collaborative effort between law enforcement officers and jail personnel and mental health professionals to help law enforcement officers and jail personnel handle incidents involving persons with mental illnesses;

(3) "Inmate with mental illness" means a jail inmate who, after being assessed by a person qualified by licensure to conduct an assessment, meets the criteria for serious mental illness or is in danger of harm to himself or herself or to others;

(4) "Jail inmate" means a natural person who is in the custody of law enforcement authorities within the confines of a county jail; and

(5) "Person with mental illness arrested by a law enforcement officer" means a person who appears to be a danger to himself or herself or to others or to need mental health evaluation for treatment.

**History.** Acts 2007, No. 1013, § 1.

## **6-64-1202. Law Enforcement Training Committee — Creation — Duties.**

- (a) The Law Enforcement Training Committee is created to:
  - (1) Identify mental health training needs for law enforcement officers; and
  - (2) Develop a mental health training curriculum for law enforcement officers and jail personnel to be delivered statewide.
- (b)(1) The committee shall be led by the Criminal Justice Institute.
- (2) The committee shall include representatives of:
  - (A) The Arkansas Law Enforcement Training Academy;
  - (B) The Research and Training Institute of the Division of Behavioral Health;
  - (C) The Department of Community Correction;
  - (D) The Mental Health Council of Arkansas;
  - (E) The Administrative Office of the Courts;
  - (F) Local, state, and county law enforcement officers; and
  - (G) Mental health practitioners.
- (c) The training and delivery strategies may consist of:
  - (1) Basic level training for law enforcement officers and jail personnel to be included in the entry-level training program curricula;
  - (2) Advanced level training for law enforcement officers and jail personnel that is designed to enhance the effectiveness of the response of law enforcement officers and jail personnel to persons with mental illnesses;
  - (3) Training, such as Crisis Intervention Team training, that includes methods for establishing a collaborative effort between law enforcement personnel and the community to provide appropriate services to those persons with mental illnesses who come into contact with the law enforcement system;
  - (4) Establishment of regional training teams, consisting of mental health and law enforcement officers; and
  - (5) A train-the-trainer model so that mental health training can be provided in each county jail at frequent and regular intervals as needed by a local person who has received formal training through curricula developed under this subchapter.
- (d) Crisis Intervention Teams shall be:
  - (1) Supported by state funding; and
  - (2) Provided initial assistance in organization.
- (e)(1) Local police departments and sheriff departments may apply to the Criminal Justice Institute for crisis intervention training under this subchapter.
- (2) The Crisis Intervention Team training curriculum development and delivery under subdivision (c)(3) of this section shall be supported by state funding.
- (f)(1) A graduate of the Crisis Intervention Team training shall provide the local department in which he or she serves with information and materials obtained at the crisis intervention training.

(2)(A) Each department that sends law enforcement officers to receive Crisis Intervention Team training shall convene a meeting at least annually to review and improve the program in the department.

(B) The meeting shall include without limitation representatives of:

- (i) Local behavioral health service providers;
- (ii) Community mental health centers within the jurisdiction of the departments;
- (iii) Consumers;
- (iv) Courts;
- (v) The National Alliance on Mental Illness; and
- (vi) Local institutions of higher education, including without limitation, the University of Arkansas for Medical Sciences and the Arkansas Area Health Education Centers of the University of Arkansas for Medical Sciences.

(g) The goal of the Crisis Intervention Team training program is to establish a collaborative effort between law enforcement officers and jail personnel and the community to provide appropriate services to persons with mental illnesses who come into contact with the law enforcement system.

**History.** Acts 2007, No. 1013, § 1.

## CHAPTER 65

### AGRICULTURAL COLLEGES

#### SUBCHAPTER

- 1. GENERAL PROVISIONS.
- 2. ARKANSAS STATE UNIVERSITY.
- 3. ARKANSAS TECH UNIVERSITY.
- 4. SOUTHERN ARKANSAS UNIVERSITY.

#### SUBCHAPTER 1 — GENERAL PROVISIONS

#### SECTION.

6-65-107. Faculty and employees.

6-65-110. Sale of farm products — Disposition of proceeds — Reports.

#### **6-65-107. Faculty and employees.**

(a)(1)(A) The faculty of each school shall consist of:

- (i) A principal, who shall be a graduate of some reputable college or university;
- (ii) One (1) instructor in stock raising and dairying;
- (iii) A competent textile instructor; and
- (iv) Assistants as may be necessary.

(B) The trustees may combine the duties of any two (2) of the above when practicable.



(2)(A) It shall be unlawful for the board of trustees of any of the schools to employ as teachers of the natural and domestic sciences any other than graduates of agricultural colleges or colleges of domestic science.

(B) Any member of the board of trustees violating subdivision (2)(A) of this section shall be guilty of a violation and upon conviction shall be fined not less than two hundred fifty dollars (\$250) nor more than five hundred dollars (\$500) and shall be removed from office by the Governor.

(b)(1) The board of trustees of any of the agricultural schools shall not employ anyone related by consanguinity or affinity within the fourth degree to any trustee.

(2) Any member of the board of trustees violating any of the provisions of subdivision (b)(1) of this section shall be guilty of a violation and upon conviction shall be fined in any sum not less than two hundred fifty dollars (\$250) nor more than five hundred dollars (\$500) and subject to removal by the Governor.

(c) All persons, including the principal, instructors, and other employees, except those participating in the student labor funds shall be paid by warrants drawn monthly against the Auditor of State on funds appropriated for that purpose.

**History.** Acts 1909, No. 100, § 7, p. 12962, 12963; Acts 1949, No. 298, § 1; 295; 1913, No. 215, §§ 6, 7; 1915, No. 279, A.S.A. 1947, §§ 80-3109, 80-3112, § 6; C. & M. Dig., §§ 9609, 9612, 9615, 80-3115, 80-3116; Acts 2005, No. 1994, 9616; Pope's Dig., §§ 12956, 12959, § 73.

## **6-65-110. Sale of farm products — Disposition of proceeds — Reports.**

(a) The proceeds from the sale of all farm products shall be deposited into the State Treasury to the credit of each of the schools and kept in a separate fund.

(b) The moneys may be drawn by warrant by the boards of trustees and expended for the upbuilding and development of the school farms and used for no other purpose if an itemized account of all sales and receipts for all disbursements of moneys is kept by the boards of trustees and is audited annually and a report of the account filed with the Governor within thirty (30) days after the audit is made.

(c) Any one (1) of the boards of trustees or any member of either of the boards, or any member of the faculty of either of the schools, who violates any part of this section shall be guilty of a violation and upon conviction shall be fined in any sum not less than fifty dollars (\$50.00) nor more than one hundred dollars (\$100) for each offense or violation of this section.

**History.** Acts 1917, No. 467, §§ 6, 7, p. 2151; C. & M. Dig., § 9613; Pope's Dig., § 12960; A.S.A. 1947, § 80-3113; Acts 2005, No. 1994, § 188.

**Publisher's Notes.** This section is being set out to reflect a revision in (c).

**SUBCHAPTER 2 — ARKANSAS STATE UNIVERSITY**

## SECTION.

6-65-201. Board of Trustees of Arkansas State University.

## SECTION.

6-65-225. [Repealed.]

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**Effective Dates.** Acts 2007, No. 1229, § 45: July 1, 2007. Emergency clause provided: "It is found and determined by the General Assembly, that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a two (2) year period; that the effectiveness of this Act on July 1, 2007 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of

the Regular Session, the delay in the effective date of this Act beyond July 1, 2007 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is hereby declared to exist and this Act being necessary for the immediate preservation of the public peace, health and safety shall be in full force and effect from and after July 1, 2007."

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**6-65-201. Board of Trustees of Arkansas State University.**

(a) There is created an honorary board constituting the Board of Trustees of Arkansas State University.

(b)(1) The board shall consist of five (5) members appointed from the state at large.

(2) The Governor, by and with the advice and consent of the Senate, shall appoint the members of the board.

(3) The Secretary of State shall furnish a certificate to each board member within ten (10) days following appointment, whereupon the appointee shall notify the Governor and the Secretary of State in writing of his or her acceptance of the appointment within thirty (30) days, and if the appointee shall fail to give such notice of his or her acceptance within the time required, then the appointment shall be declared void and another appointment shall be made.

(c)(1) Members of the board appointed by the Governor under the provisions of this section, in addition to possessing the qualifications of an elector, shall reside in the State of Arkansas.

(2)(A) The Governor, Attorney General, Secretary of State, Auditor of State, Treasurer of State, Commissioner of State Lands, Justices of the Supreme Court, and the director or employees of any state department, state agency, or state institution shall be ineligible for membership on the board provided for in this section during the time for which he or she was elected or appointed.

(B) No individual may be a member of more than one (1) of the boards created under the provisions of § 25-17-201 at the same time.

(d)(1) The term of office for each member shall commence on January 15 and shall end on January 14 of the fifth year following the year in which the regular term commenced.

(2) On or before the fourteenth day following the commencement of each regular session of the General Assembly, the Governor shall submit to the Senate for approval the names of all unconfirmed appointments made by him or her to fill expired terms and the names of appointments to fill the terms expiring during the regular session of the General Assembly. The members appointed by the Governor to fill vacancies caused by the expiration of the terms of members may qualify and hold office until the appointments are rejected by the Senate.

(e) Vacancies on the board shall be filled by appointments by the Governor from the state at large.

(f) Any vacancies arising in the membership of the board for any reason other than the expiration of the regular terms for which the members were appointed shall be filled by the appointment of the Governor, subject to the approval by a majority of the remaining members of the board and shall be thereafter effective until the expiration of the regular terms.

(g)(1) Before entering upon his or her respective duties, each board member shall take and subscribe and file in the office of the Secretary of State an oath to support the United States Constitution and the Arkansas Constitution and to faithfully perform the duties of the office upon which he or she is about to enter and that he or she will not be or become interested, directly or indirectly, in any contract made by the board.

(2)(A) Any violation of the oath shall be a Class B misdemeanor.

(B) Any contract entered into in violation of the oath shall be void.

(h) Members of the board provided for in this section may receive expense reimbursement in accordance with § 25-16-901 et seq.

(i)(1) The Governor shall have the power to remove any member of the board before the expiration of his or her term for cause only, after notice and hearing.

(2) The removal shall become effective only when approved in writing by a majority of the total number of the board, but the member removed or his or her successor shall have no right to vote on the question of removal.

(3) The removal action shall be filed with the Secretary of State, together with a complete record of the proceedings at the hearing.

(4)(A) An appeal may be taken to the Pulaski County Circuit Court by the Governor or the member ordered removed, and the appeal shall be tried de novo on the record of the hearing before the Governor.

(B) An appeal may be taken from the circuit court to the Supreme Court, which shall likewise be tried de novo.

**History.** Acts 1943, No. 1, §§ 2, 4-7; 80-3124.1; Acts 1997, No. 250, § 33; 2005, 1967, No. 3, § 2; 1967, No. 18, § 2; A.S.A. No. 1994, § 389.  
1947, §§ 7-201, 7-203, 7-204 — 7-206,



6-65-202. Powers and duties of board.

**A.C.R.C. Notes.** Acts 2011, No. 1089, § 8, provided: “LEASES. Notwithstanding any law to the contrary, the Board of Trustees of Arkansas State University may hereafter lease facilities for operations for room and board purposes for students only in any manner and upon terms the board deems to be in the best

interest of the university. Action taken under this act shall be by written resolution adopted by at least a majority of the members of the board.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

6-65-225. [Repealed.]

**Publisher’s Notes.** This section, concerning consolidation of administrative functions, was repealed by Acts 2007, No.

1229, § 16. The section was derived from Acts 1995, No. 1035, § 6.

SUBCHAPTER 3 — ARKANSAS TECH UNIVERSITY

SECTION.

6-65-301. Board of Trustees of Arkansas Tech University.

**A.C.R.C. Notes.** Acts 2011, No. 1112, § 6, provided: “SPECIAL ALLOWANCES. The Board of Trustees of Arkansas Tech University may make special allowances available to any coach who coaches more than one sport in an amount not to exceed \$10,000 per fiscal year for any one coach. Further, if the special allowance funds authorized herein are utilized, Arkansas Tech University shall report annually to the Legislative Joint Auditing Committee the exact disposition of those special allowance funds.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

Acts 2011, No. 1112, § 7, provided: “ARKANSAS TECH INSTITUTE. The Arkansas Tech Institute (ATI) shall be administered under the direction of Arkansas

Tech University. Utilizing a multidisciplinary collaboration of professionals, ATI shall explore, develop, implement, and evaluate new and better ways to integrate the teaching, study and performance of business, engineering, emergency management, and computer sciences for academic, economic, and economic development purposes in Arkansas. ATI priorities shall include, but are not limited to, economic development, technology development, and ‘cyber-park’ development. Arkansas Tech University shall make annual reports to the Arkansas Legislative Council on all matters of funding, existing programs, and services offered through ATI.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

6-65-301. Board of Trustees of Arkansas Tech University.

(a) There is created an honorary board constituting the Board of Trustees of Arkansas Tech University.

(b)(1) The board shall consist of five (5) members to be appointed from the counties in the Second Agricultural and Mechanical District.

(2) The Governor, by and with the advice and consent of the Senate, shall appoint the members of the board.

(3) The Secretary of State shall furnish a certificate to each board member within ten (10) days following appointment, whereupon the appointee shall notify the Governor and the Secretary of State in writing of his or her acceptance of the appointment within thirty (30) days, and if the appointee shall fail to give such notice of his or her acceptance within the time required, then the appointment shall be declared void and another appointment shall be made.

(c)(1) Members of the board appointed by the Governor under the provisions of this section, in addition to possessing the qualifications of an elector, shall reside in the State of Arkansas.

(2)(A) The Governor, Attorney General, Secretary of State, Auditor of State, Treasurer of State, Commissioner of State Lands, Justices of the Supreme Court, and the director or employees of any state department, state agency, or state institution shall be ineligible for membership on the board provided for in this section during the time for which he or she was elected or appointed.

(B) No individual may be a member of more than one (1) of the boards created under the provisions of § 25-17-201 at the same time.

(d)(1) The term of office for each member shall commence on January 15 and shall end on January 14 of the fifth year following the year in which the regular term commenced.

(2) The Governor shall submit to the Senate for approval, on or before the fourteenth day following the commencement of each regular session of the General Assembly the names of all unconfirmed appointments made by him or her to fill expired terms and the names of appointments to fill the terms expiring during the regular session of the General Assembly. The members appointed by the Governor to fill vacancies caused by the expiration of the terms of members may qualify and hold office until the appointments are rejected by the Senate.

(e) Any vacancies arising in the membership of the board for any reason other than the expiration of the regular terms for which the members were appointed shall be filled by the appointment of the Governor, subject to the approval by a majority of the remaining members of the board and shall be thereafter effective until the expiration of the regular terms.

(f)(1) Before entering upon his or her respective duties, each board member shall take and subscribe and file in the office of the Secretary of State an oath to support the United States Constitution and the Arkansas Constitution and to faithfully perform the duties of the office upon which he or she is about to enter and that he or she will not be or become interested, directly or indirectly, in any contract made by the board.

(2)(A) Any violation of the oath shall be a Class B misdemeanor.

(B) Any contract entered into in violation of the oath shall be void.

(g) Members of the board provided for in this section may receive expense reimbursement in accordance with § 25-16-901 et seq.

(h)(1) The Governor shall have the power to remove any member of the board before the expiration of his or her term for cause only, after notice and hearing.

(2) The removal shall become effective only when approved in writing by a majority of the total number of the board, but the member removed or his or her successor shall have no right to vote on the question of removal.

(3) The removal action shall be filed with the Secretary of State together with a complete record of the proceedings at the hearing.

(4)(A) An appeal may be taken to the Pulaski County Circuit Court by the Governor or the member ordered removed, and the appeal shall be tried de novo on the record of the hearing before the Governor.

(B) An appeal may be taken from the circuit court to the Supreme Court, which shall likewise be tried de novo.

**History.** Acts 1943, No. 1, §§ 2, 4-7; 7-206; Acts 1997, No. 250, § 34; 2005, No. A.S.A. 1947, §§ 7-201, 7-203, 7-204 — 1994, § 390.

#### SUBCHAPTER 4 — SOUTHERN ARKANSAS UNIVERSITY

##### SECTION.

6-65-401. Board of Trustees of Southern Arkansas University.

6-65-405. [Repealed.]

6-65-411. SAU-Tech — Arkansas Environmental Training Academy.

##### SECTION.

6-65-412. SAU-Tech — Declared emergency — Transfer of appropriations.

6-65-413. School of Veterinary Medicine.

**A.C.R.C. Notes.** Acts 2011, No. 1111, § 6, provided: "TUITION REIMBURSEMENT. The Board of Trustees of Southern Arkansas University shall be authorized to reimburse tuition, fees, and other educational related expenses of current faculty who seek additional education levels that will benefit the university in meeting accreditation and professional standards. Reimbursement shall be authorized only when the reimbursement request has been documented by the institution to meet critical shortage instructional areas."

**Effective Dates.** Acts 2011, No. 1087, § 14: July 1, 2011. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkan-

sas that the Constitution of the State of Arkansas prohibits the appropriation of funds for more than a one (1) year period; that the effectiveness of this Act on July 1, 2011 is essential to the operation of the agency for which the appropriations in this Act are provided, and that in the event of an extension of the legislative session, the delay in the effective date of this Act beyond July 1, 2011 could work irreparable harm upon the proper administration and provision of essential governmental programs. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on July 1, 2011."



**6-65-401. Board of Trustees of Southern Arkansas University.**

(a) The Governor, by and with the advice and consent of the Senate, shall appoint a board of five (5) members as trustees for Southern Arkansas University.

(b) The board shall constitute the Board of Trustees of Southern Arkansas University and shall be appointed from the counties in the Third Agricultural and Mechanical College District.

(c)(1) All board members appointed under the provisions of this section shall be qualified electors and shall reside in the State of Arkansas.

(2) The Governor, Attorney General, Secretary of State, Auditor of State, Treasurer of State, Commissioner of State Lands, and Justices of the Supreme Court and the director or employees of any state department, state agency, or state institution shall not be eligible for membership on the board appointed under this section.

(d) The Governor shall submit to the Senate for approval, on or before the fourteenth day following the commencement of each regular session of the General Assembly, the names of all unconfirmed appointments made by him or her to fill expired terms and the names of appointments to fill the terms expiring during the regular session of the General Assembly. However, members appointed by the Governor to fill vacancies caused by the expiration of the terms of members may qualify and hold office until such appointments shall be rejected by the Senate.

(e)(1) The Secretary of State shall furnish a certificate to each board member within ten (10) days following appointment, whereupon the appointee shall notify the Governor and the Secretary of State in writing of his or her acceptance of the appointment within thirty (30) days.

(2) If the appointee fails to give such notice of his or her acceptance within the time required, then the appointment shall be declared void and another appointment shall be made.

(f)(1) The regular term of office of the members of the board to be appointed by the Governor under the provisions of this section shall be arranged in such a manner that the term of one (1) of the board members shall expire on January 14 of each year.

(2) The term of office shall commence on January 15 immediately following the expiration date of the preceding term and shall end on January 14 of the fifth year following the year in which the regular term commenced.

(g) Any vacancies arising in the membership of the board for any reason other than the expiration of the regular terms for which the members were appointed shall be filled by the appointment of the Governor, subject to the approval by a majority of the remaining members of the board and shall be thereafter effective until the expiration of the regular term unless the appointment is rejected by the Senate at the next regular session of the General Assembly.

(h)(1) Before entering upon his or her respective duties, each board member shall take, subscribe, and file in the office of the Secretary of

State an oath to support the United States Constitution and the Arkansas Constitution and to faithfully perform the duties of the office upon which he or she is about to enter and that he or she will not be or become interested, directly or indirectly, in any contract made by the board.

(2)(A) Any violation of the oath shall be a Class B misdemeanor.

(B) Any contract entered into in violation of the oath shall be void.

(i)(1) The Governor shall have the power to remove any member of the board before the expiration of his or her term for cause only, after notice and hearing.

(2) The removal shall become effective only when approved in writing by a majority of the total number of the board but without the right to vote by the member to be removed or his or her successor, which action shall be filed with the Secretary of State with a complete record of the proceedings at the hearing.

(3)(A) An appeal may be taken to the Pulaski County Circuit Court by the Governor or the member ordered removed, and the cause shall be tried de novo on the record of the hearing before the Governor.

(B) An appeal may be taken from the circuit court to the Supreme Court, which shall likewise be tried de novo.

**History.** Acts 1945, No. 7, §§ 1, 3-5; A.S.A. 1947, §§ 80-3124, 80-3126 — 80-3128; Acts 2005, No. 1994, § 391.

### **6-65-405. [Repealed.]**

**Publisher's Notes.** This section, concerning SAU-Tech advisory committee, was repealed by Acts 2007, No. 302, § 1. The section was derived from Acts 1975, No. 171, § 2; A.S.A. 1947, § 80-3125.2; Acts 1993, No. 447, § 3; 1997, No. 250, § 35.

### **6-65-411. SAU-Tech — Arkansas Environmental Training Academy.**

The division of SAU-Tech currently known as the SAU-Tech Environmental Control Center shall now be known and cited as the Arkansas Environmental Training Academy.

**History.** Acts 2009, No. 156, § 1.

### **6-65-412. SAU-Tech — Declared emergency — Transfer of appropriations.**

(a) If the Governor declares that an emergency exists and the Southern Arkansas University-Tech, Fire Training Academy is required to lend assistance, the Southern Arkansas University-Tech, Fire Training Academy may make appropriation transfers from either:

- (1) General revenue; or
- (2) Cash.

(b) A transfer made under subsection (a) of this section shall not increase the total amount appropriated for the Southern Arkansas University-Tech, Fire Training Academy.

(c) Any appropriation transfer made under subsection (a) of this section shall be reported to the Legislative Council or Joint Budget Committee within ninety (90) days of the date of the transfer.

**History.** Acts 2011, No. 1087, § 11.

### **6-65-413. School of Veterinary Medicine.**

The Board of Trustees of Southern Arkansas University may design and establish a school of veterinary medicine at Southern Arkansas University in Magnolia, after obtaining approval and authorization from the Arkansas Higher Education Coordinating Board under § 6-61-207.

**History.** Acts 2011, No. 1210, § 1.

1210, became law without the Governor's signature.

**Publisher's Notes.** Acts 2011, No.

## **CHAPTER 66**

### **HENDERSON STATE UNIVERSITY**

#### **SECTION.**

**6-66-101. Board of Trustees of Henderson State University.**

**A.C.R.C. Notes.** Acts 2011, No. 970, § 6, provided: "SPECIAL ALLOWANCE. The Board of Trustees of Henderson State University may make special allowances available to any coach who coaches more than one sport in an amount not to exceed \$10,000 per fiscal year for any one coach. Further, if the special allowance funds

authorized herein are utilized, Henderson State University shall report annually to the Legislative Joint Auditing Committee the exact disposition of those special allowance funds.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

### **6-66-101. Board of Trustees of Henderson State University.**

(a) There is created an honorary board constituting the Board of Trustees of Henderson State University, which is made and continued a body politic and corporate.

(b)(1) The board shall consist of seven (7) members.

(2) The Governor, by and with the advice and consent of the Senate, shall appoint the members of the board.

(3) The Secretary of State shall furnish a certificate to each board member within ten (10) days following appointment, whereupon the appointee shall notify the Governor and the Secretary of State in



writing of his or her acceptance of the appointment within thirty (30) days, and if the appointee shall fail to give such notice of his or her acceptance within the time required, then the appointment shall be declared void and another appointment shall be made.

(c)(1) Members of the board appointed by the Governor under the provisions of this section, in addition to possessing the qualifications of an elector, shall reside in the State of Arkansas.

(2)(A) The Governor, Attorney General, Secretary of State, Auditor of State, Treasurer of State, Commissioner of State Lands, Justices of the Supreme Court, and the director or employees of any state department, state agency, or state institution shall be ineligible for membership on the board provided for in this section during the time for which he or she was elected or appointed.

(B) No individual may be a member of more than one (1) of the boards created under the provisions of § 25-17-201 at the same time.

(d)(1) The term of office for each member shall commence on January 15 and shall end on January 14 of the seventh year following the year in which the regular term commenced.

(2) The Governor shall submit to the Senate for approval, on or before the fourteenth day following the commencement of each regular session of the General Assembly the names of all unconfirmed appointments made by him or her to fill expired terms and the names of appointments to fill the terms expiring during the regular session of the General Assembly. The members appointed by the Governor to fill vacancies caused by the expiration of the terms of members may qualify and hold office until the appointments are rejected by the Senate.

(e) Any vacancies arising in the membership of the board for any reason other than the expiration of the regular terms for which the members were appointed shall be filled by the appointment of the Governor, subject to the approval by a majority of the remaining members of the board, and shall be thereafter effective until the expiration of the regular terms.

(f) Before entering upon his or her respective duties, the trustee shall make and subscribe to an affidavit to faithfully, diligently, and impartially discharge the duties of his or her office, regardless of the requirements of § 25-17-207.

(g)(1)(A) There shall be one (1) regular meeting of the board each year to be held within thirty (30) days after the close of commencement week.

(B) Called meetings may be held at the request of the president or of any two (2) members of the board if at least seven (7) days' written notice is given in advance to each member of the called meeting, except in cases of emergency, when three (3) days' notice will suffice.

(2) The board shall elect from its members a chair who shall preside at the meetings of the board, a vice chair who shall preside at the meetings of the board in the absence of the regular chair, and a secretary who shall keep the records of the meetings of the board. The secretary need not be a member of the board.

(3) A majority of the board shall constitute a quorum.

(4) Members of the board provided for in this section may receive expense reimbursement in accordance with § 25-16-901 et seq.

(h)(1) The Governor shall have the power to remove any member of the board before the expiration of his or her term for cause only, after notice and hearing.

(2) The removal shall become effective only when approved in writing by a majority of the total number of the board, but the member removed or his or her successor shall have no right to vote on the question of removal.

(3) The removal action shall be filed with the Secretary of State, together with a complete record of the proceedings at the hearing.

(4)(A) An appeal may be taken to the Pulaski County Circuit Court by the Governor or the member ordered removed, and the appeal shall be tried de novo on the record of the hearing before the Governor.

(B) An appeal may be taken from the circuit court to the Supreme Court, which shall likewise be tried de novo.

**History.** Acts 1929, No. 46, §§ 6, 7; § 37; 2005, No. 1994, § 392; 2009, No. Pope's Dig., §§ 13111, 13112; Acts 1941, No. 128, § 6; 1943, No. 1, §§ 2, 4-7; A.S.A. 1947, §§ 7-201, 7-203, 7-204 — 7-206, 80-2704, 80-2705; Acts 1997, No. 250, 595, § 8.

**Amendments.** The 2009 amendment rewrote (f).

## CHAPTER 67

### UNIVERSITY OF CENTRAL ARKANSAS

#### SECTION.

6-67-102. Board of Trustees of the University of Central Arkansas.

#### SECTION.

6-67-114. Biennial report to General Assembly.

**A.C.R.C. Notes.** Acts 2011, No. 1079, § 6, provided: "SPECIAL ALLOWANCE. The Board of Trustees of the University of Central Arkansas may make special allowances available to any coach who coaches more than one sport in an amount not to exceed ten thousand dollars (\$10,000) per fiscal year for any one coach. Further, the Board of Trustees of the University of Central Arkansas is hereby authorized to make additional payments to head coaches at the University of Central Arkansas from revenues generated by contracts with vendors of athletic apparel, shoes and other products in such amounts as may be established by the Board of Trustees for performance by the coaches of

consulting and other obligations pursuant to contracts between the University and such vendors. Such additional payments to head coaches shall not be considered salary and shall not be deemed or construed to exceed the maximum salaries established for such coaches by the Act. Nothing in this section shall be construed to reduce or eliminate the authority granted elsewhere in Arkansas statutes for the payment of allowances or bonuses to coaches at the University of Central Arkansas. Further, if the special allowance funds authorized herein are utilized, the University of Central Arkansas shall report annually to the Legislative Joint Auditing Committee the exact disposition

of those special allowance funds.

"The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012."

**Effective Dates.** Acts 2005, No. 891, § 2: Mar. 16, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the University of Central Arkansas is in dire need of additional student housing; that the provisions of this act will enable the University of Central Arkansas to acquire and lease student housing; and that it is necessary that this act become effective May 15, 2005 to enable

the University of Central Arkansas to complete student housing plans before the beginning of the 2005 fall semester. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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### 6-67-102. Board of Trustees of the University of Central Arkansas.

(a) There is created an honorary board constituting the Board of Trustees of the University of Central Arkansas, which is made and constituted a body politic and corporate.

(b)(1) The board shall consist of seven (7) members.

(2) The Governor, by and with the advice and consent of the Senate, shall appoint the members of the board.

(3) The Secretary of State shall furnish a certificate to each board member within ten (10) days following appointment, whereupon the appointee shall notify the Governor and the Secretary of State in writing of his or her acceptance of the appointment within thirty (30) days, and if the appointee shall fail to give such notice of his or her acceptance within the time required, then the appointment shall be declared void and another appointment shall be made.

(c)(1) Members of the board appointed by the Governor under the provisions of this section, in addition to possessing the qualifications of an elector, shall reside in the State of Arkansas.

(2)(A) The Governor, Attorney General, Secretary of State, Auditor of State, Treasurer of State, Commissioner of State Lands, Justices of the Supreme Court, and the director or employees of any state department, state agency, or state institution shall be ineligible for membership on the board provided for in this section during the time for which he or she was elected or appointed.

(B) No individual may be a member of more than one (1) of the boards created under the provisions of § 25-17-201 at the same time.

(d)(1) The term of office for each member shall commence on January 15 and shall end on January 14 of the seventh year following the year in which the regular term commenced.

(2) The Governor shall submit to the Senate for approval, on or before the fourteenth day following the commencement of each regular session of the General Assembly, the names of all unconfirmed appoint-



ments made by him or her to fill expired terms and the names of appointments to fill the terms expiring during the regular session of the General Assembly. The members appointed by the Governor to fill vacancies caused by the expiration of the terms of members may qualify and hold office until the appointments are rejected by the Senate.

(e) Any vacancies arising in the membership of the board for any reason other than the expiration of the regular terms for which the members were appointed shall be filled by the appointment of the Governor, subject to the approval by a majority of the remaining members of the board, and shall be thereafter effective until the expiration of the regular terms.

(f) Before entering upon his or her respective duties, the trustee shall make and subscribe to an affidavit to faithfully, diligently, and impartially discharge the duties of his or her office.

(g)(1)(A) There shall be one (1) regular meeting of the board each year, to be held within thirty (30) days after the close of commencement week.

(B) Called meetings may be held at the request of the president or of any two (2) members of the board if at least seven (7) days' written notice is given in advance to each member of the called meeting, except in cases of emergency, when three (3) days' notice is sufficient.

(2) The board shall elect from its members a chair who shall preside at the meetings of the board, a vice chair who shall preside at the meetings of the board in the absence of the regular chair, and a secretary who shall keep the records of the meetings of the board. The secretary need not be a member of the board.

(3) A majority of the board shall constitute a quorum.

(4) Members of the board provided for in this section may receive expense reimbursement in accordance with § 25-16-901 et seq.

(h)(1) The Governor shall have the power to remove any member of the board before the expiration of his or her term for cause only, after notice and hearing.

(2) The removal shall become effective only when approved in writing by a majority of the total number of the board, but the member removed or his or her successor shall have no right to vote on the question of removal.

(3) The removal action shall be filed with the Secretary of State together with a complete record of the proceedings at the hearing.

(4)(A) An appeal may be taken to the Pulaski County Circuit Court by the Governor or the member ordered removed, and the appeal shall be tried de novo on the record of the hearing before the Governor.

(B) An appeal may be taken from the circuit court to the Supreme Court, which shall likewise be tried de novo.

**History.** Acts 1907, No. 317, §§ 5, 6, p. 1, §§ 2, 4-7; A.S.A. 1947, §§ 7-201, 7-203, 762; 1909, No. 100, § 5; C. & M. Dig., 7-204 — 7-206, 80-2606, 80-2607; Acts §§ 9590, 9591; Pope's Dig., §§ 13094, 1997, No. 250, § 38; 2005, No. 891, § 1; 13095; Acts 1941, No. 128, § 3; 1943, No. No. 1994, § 393.

**A.C.R.C. Notes.** Pursuant to § 1-2-207, this section is set out as amended by Acts 2005, No. 891, § 1. Subsection (f) of this section was also amended by Acts 2005, No. 1994, § 393, to read as follows:

“(f)(1) Before entering upon his or her respective duties, each board member shall take and subscribe, and file in the office of the Secretary of State, an oath to support the United States Constitution

and the Arkansas Constitution, to faithfully perform the duties of the office upon which he or she is about to enter, and that he or she will not be or become interested, directly or indirectly, in any contract made by the board.

“(2)(A) Any violation of the oath shall be a Class B misdemeanor.

“(B) Any contract entered into in violation of the oath shall be null and void.”

### 6-67-112. Limitation of expenditures.

**A.C.R.C. Notes.** Acts 2011, No. 1079, § 8, provided: “TUITION REIMBURSEMENT. The Board of Trustees of the University of Central Arkansas shall be authorized to reimburse tuition, fees, and other educational related expenses of current faculty who seek additional educa-

tion levels that will benefit the university in meeting accreditation and professional standards. Reimbursement shall be authorized only when the reimbursement request has been documented by the institution to meet critical shortage instructional areas.”

### 6-67-113. Payroll deductions.

**A.C.R.C. Notes.** Acts 2011, No. 1079, § 7, provided: “MEMBERSHIP AUTHORIZATION. The Board of Trustees of the University of Central Arkansas is hereby authorized to enact voluntary payroll deductions for employees using on-campus programs and facilities. All such deductions shall be entirely voluntary in nature, shall require written authorization from

each participant electing to use such deductions and shall not be made on a pre-tax basis. Nothing in this section shall be construed to reduce or eliminate the payroll regulations established elsewhere in Arkansas Statutes.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

### 6-67-114. Biennial report to General Assembly.

(a) The Board of Trustees of the University of Central Arkansas shall biennially make a report to the General Assembly at the beginning of its regular session.

(b) The report shall be incorporated in the report of the Director of the Department of Education and shall set forth the financial and scholastic condition of the school, furnish such suggestions as in the board’s judgment are necessary for the improvement of the university, and shall make any further recommendations that may seem wise and expedient to the board.

**History.** Acts 1907, No. 317, § 19, p. 762; C. & M. Dig., § 9602; Pope’s Dig., § 13105; A.S.A. 1947, § 80-2616; Acts 2009, No. 962, § 7.

**Amendments.** The 2009 amendment inserted “regular” preceding “session” in (a).

## CHAPTER 71

# IMPROVEMENT DISTRICTS FOR COLLEGES AND UNIVERSITIES

### SECTION.

6-71-105. Public notice of passage of

chapter — Methods of approval.

**Effective Dates.** Acts 2009, No. 1480, § 117: April 10, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that this act makes various revisions to Arkansas election laws that are designed to improve the administration of elections and special elections and that these revisions should be implemented as soon as possible so that the citizens of this state may benefit from improved election procedures. Therefore, an emergency is

declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

### 6-71-105. Public notice of passage of chapter — Methods of approval.

(a) Immediately upon the organization of the commission, or as soon thereafter as it is convenient, it shall give public notice of the passage of this chapter and of the commission's organization and the purposes of this chapter, and that the public improvement contemplated in this chapter is conditioned upon its approval by a majority in value of the owners of real estate within the district or a majority of the electors voting in a special election that may be held upon this chapter.

(b) This chapter may be submitted in either or both of the following modes to determine whether it shall become operative:

(1)(A) If at any time within five (5) years from the passage of this chapter a petition purporting to be signed by a majority in value of the owners of real property within the district is filed with the commission, the commission shall give public notice of that fact in at least one (1) daily newspaper published in the county and set a day and place for the hearing not less than twenty (20) days after the first publication of the notice.

(B) At the place and time so designated, the commissioners shall examine the petition filed and examine the assessment of the real property within the district and, for the purpose of the hearing, may adjourn from day to day from time to time until the hearing is completed.

(C) At the hearing, any landowner in the district may be heard and evidence may be taken in such a manner as the commission may deem proper to determine the fact as to whether the petition is signed



by a majority in value of the landowners of the district, as shown by the last county assessment of the lands within the district.

(D)(i)(a) If at the hearing the commissioners find that the petition is not signed by a majority in value of the landowners of the district, as shown by the last county assessment, they shall so declare. Such findings shall terminate proceedings under this chapter unless within the term herein limited another petition purporting to be signed by a majority in value of owners of real estate in the district is filed with the commission, when like proceedings shall again be had to determine whether a majority in value of the landowners of the district have signed the petition.

(b) However, the finding that a majority in value has not petitioned for the improvement shall not bar the chapter from becoming effective as provided in subdivision (b)(2) and subsection (c) of this section.

(ii) If the commission finds that the petition is signed by a majority in value of the landowners of the district as shown by the last county assessment, they shall so declare and shall proceed to carry out the purposes of this chapter.

(iii) In either event, public notice shall be given in at least one (1) daily paper published in the county of that fact, and a copy of the findings shall be filed with the county court of the county.

(2)(A) The commission may call at any time within five (5) years an election in accordance with § 7-11-201 et seq. to determine whether this chapter shall become operative and may call subsequent elections in accordance with § 7-11-201 et seq. after the chapter has failed to carry if the commission has good reasons to believe that a majority of the electors then favor this chapter.

(B) The election held under this section shall be held conformable as nearly as possible to the laws of the state governing general elections.

(C) The commission shall perform the duties of county election commissioners as nearly as applicable.

(D) All citizens of the city in which the district is located who possess a right to vote if the election were a general election for state officers, and no other, shall be entitled to vote in the election.

(E) The commission shall canvass the votes cast at the special elections. If the commission finds that a majority of the votes cast in the election were in favor of this chapter's becoming operative, they shall so declare and shall proceed to carry out the purposes of this chapter.

(F) Public notice shall be given of their findings in either event in at least one (1) daily newspaper published in the county in which the district is located, and a copy of their findings shall be filed with the county clerk of such a county.

(c) It is the intent of this section to permit this chapter to become operative if it is approved at any time within five (5) years in either of the foregoing methods and not to become operative unless approved

within this period by one (1) or the other of the methods provided in this section.

**History.** Acts 1949, No. 260, § 7; A.S.A. 1947, §§ 80-3607 — 80-3609; Acts 2005, No. 2145, § 10; 2007, No. 1049, § 12; 2009, No. 1480, § 13.

**Amendments.** The 2007 amendment, in (b)(2), twice inserted “in accordance

with § 7-5-103(b)” in (A), and deleted former (C).

The 2009 amendment substituted “§ 7-11-201 et seq.” for “§ 7-5-103(b)” twice in (b)(2)(A).

# SUBTITLE 6. POSTSECONDARY EDUCATION — FINANCIAL ASSISTANCE PROGRAMS

## CHAPTER 80 GENERAL PROVISIONS

### SECTION.

- 6-80-105. Student financial aid — Scholarship stacking.
- 6-80-106. Definitions and limitations on expenditures for academic

### SECTION.

- and performance scholarships.
- 6-80-107. Transcripts.

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 26, provided: “FINANCIAL AID PROGRAMS REPORTING. The Arkansas Department of Higher Education shall report by May 30 to the House and Senate Interim Committees on Education the budgeted allocation for each financial aid program funded through the Higher Education Grants Fund Account for the upcoming fiscal year and projections for the following year.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

**Effective Dates.** Acts 2011, No. 207, § 31: Mar. 8, 2011. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that increasing the number of Arkansans obtaining postsecondary credentials is critical to the economic health of the state and its citizens; that the Arkansas Scholarship Lottery provides the opportunity for tens of thousands of Arkansans to obtain postsecondary education; that the

deadline for scholarship applications is June 1; that the financial integrity of the Arkansas Scholarship Lottery is critical to the continued existence of the scholarships; that the reporting and research provisions of this act are critical for timely decisions by the General Assembly on scholarship awards; and that this act is immediately necessary because the Department of Higher Education must promulgate rules to implement this act well before June 1, 2011, in order to provide eligible Arkansans the opportunity to apply for the scholarship. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

**6-80-105. Student financial aid — Scholarship stacking.**

(a) As used in this section:

(1) "Cost of attendance" means the recognized cost of attendance of an institution of higher education calculated under rules established by the Department of Higher Education;

(2) "Federal aid" means scholarships or grants awarded to a student as a result of the Free Application for Federal Student Aid, excluding the Pell Grant;

(3) "Other aid" means a scholarship, grant, waiver, or reimbursement for tuition, fees, books, or other cost of attendance, other than federal aid or state aid, provided to a student from a postsecondary institution or a private source;

(4) "State aid" means scholarships or grants awarded to a student from public funds, including without limitation the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq., the Department of Higher Education scholarship and grant programs, state general revenues, tuition, and local tax revenue; and

(5) "Student aid package" means federal aid, state aid, and other aid a student receives for postsecondary education expenses.

(b)(1) A postsecondary institution shall not award state aid in a student aid package in excess of the cost of attendance at the institution where the student enrolls.

(2) For the purpose of stacking scholarships in a student's student aid package, the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq. shall be reduced or returned first.

(c) A postsecondary institution shall report to the department the total amount of federal aid, state aid, and other aid a student receives if the student receives an award from a department scholarship or grant program, including the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq.

(d)(1) When a student receives a student aid package that includes state aid and the student aid package exceeds the cost of attendance, the postsecondary institution shall repay state aid in the amount exceeding the cost of attendance, starting with state aid received under the Arkansas Academic Challenge Scholarship under § 6-85-201 et seq.

(2) The department shall credit the excess state aid funds to the appropriate department fund or trust account.

(e) A student awarded state aid shall disclose all state aid, federal aid, and other aid to:

(1) The department if the department awards state aid to the student; and

(2) A postsecondary institution that awards state aid or other aid to the student.

**History.** Acts 1999, No. 1180, § 14; 2010, No. 265, § 18; 2010, No. 294, § 18; 2011, No. 207, §§ 2, 3.

**Amendments.** The 2010 amendment by identical acts Nos. 265 and 294 added present (a); redesignated former (a) through (c) as (b) through (d) and rewrote them.



The 2011 amendment rewrote (a)(3); and added (e).

**6-80-106. Definitions and limitations on expenditures for academic and performance scholarships.**

(a) For the purpose of this section:

(1)(A) "Academic scholarships" means scholarships awarded:

(i) On a basis of criteria, including entrance exam scores, high school grade point averages, and rank in high school graduating class; or

(ii) For merit or academic performance.

(B) "Academic scholarships" does not include:

(i) Graduate assistantships or fellowships;

(ii) Tuition waivers based on age, military service, or occupation and out-of-state tuition waivers for graduate students or students from contiguous states in close proximity to a college or university;

(iii) Scholarships for transfers from two-year institutions; and

(iv) Scholarships made to a student who qualifies for a maximum Pell Grant; and

(2)(A) "Performance scholarships" means scholarships for band, musical performing groups, arts, theater, forensics, and similar activities that are not awarded on the basis of entrance exam scores or high school academic achievement.

(B) "Performance scholarships" does not include scholarships made to a student who qualifies for a maximum Pell Grant.

(b)(1) A state-supported institution of higher education shall not exceed its unrestricted educational and general tuition and mandatory fee income spending for academic and performance scholarships by more than:

(A) Thirty percent (30%);

(B) Twenty-five percent (25%) beginning in the 2012-2013 fiscal year; and

(C) Twenty percent (20%) beginning in the 2013-2014 fiscal year.

(2) All scholarship expenditures or tuition discounts not specifically excluded in subsection (a) of this section shall be counted toward the percentage of expenditures for academic and performance scholarships.

(c) Beginning in the 2013-2014 fiscal year all expenditures for academic and performance scholarships exceeding twenty percent (20%) of unrestricted educational and general tuition and mandatory fee income in a fiscal year shall be deducted from the state funding recommendations as determined by the appropriate funding formula model for the fiscal year in the following biennium.

(d) A state-supported institution of higher education shall report the percentage of unrestricted educational and general tuition and mandatory fee income spent on academic and performance scholarships during the previous fiscal year to the Arkansas Higher Education Coordinating Board no later than June 1 each year.

**History.** Acts 2005, No. 1795, § 1; 2009, No. 323, §§ 1-3.

**A.C.R.C. Notes.** Acts 2009, No. 323, § 3 omitted without striking through previously existing language in amending § 6-80-106(b). A.C.R.C. has determined that the omitted language was intended to

be repealed and § 6-80-106(b) is set out above to reflect that intent.

**Amendments.** The 2009 amendment, in (a), inserted (a)(1)(B)(iv) and (a)(2)(B) and redesignated the remaining text of (a)(2) accordingly, rewrote (b); added (c) and (d); and made related changes.

### 6-80-107. Transcripts.

(a)(1) By May 1, 2007, the Department of Higher Education, in cooperation with the Department of Education, shall prescribe a uniform method of formatting and transmitting transcripts that shall be used by all grades nine through twelve (9-12) public high schools and institutions of higher education in the state.

(2) The uniform transcripts shall be transmitted electronically:

(A) To the Department of Higher Education as necessary to process state financial aid applications for both high school students and higher education students; and

(B) Between public high schools to correctly enroll and place students transferring between public high schools and school districts.

(3) All public high schools in Arkansas shall begin submitting electronic transcripts to the Department of Higher Education for state scholarship programs by January 1, 2008.

(4) Except as provided under subdivision (b)(2) of this section, all institutions of higher education in Arkansas shall begin submitting electronic transcripts to the Department of Higher Education by July 1, 2008.

(b)(1) Except as provided under subdivision (b)(2) of this section, after implementation of the uniform method prescribed under subsection (a) of this section, an institution of higher education shall not be eligible to receive state financial aid on behalf of students unless the institution provides uniform, electronic transcripts as prescribed by the Department of Higher Education under this section.

(2) Any institution of higher education with less than ten (10) students who are recipients of financial aid programs administered by the Department of Higher Education is exempt from the requirements under subsection (a) of this section and the penalty under this subsection (b).

(c)(1) The Department of Education shall prescribe a uniform method of formatting and electronically transmitting transcripts which shall be used by all kindergarten through grade eight (K-8) public elementary or middle schools in this state.

(2) The uniform transcripts shall be transmitted electronically between public schools as necessary to correctly enroll and place students transferring between schools and school districts.

**History.** Acts 2005, No. 2203, § 1; 2007, No. 820, § 1; No. 1573, § 41.

**A.C.R.C. Notes.** Pursuant to § 1-2-207, § 6-80-107 (a)(2) and (c) are set out

above as amended by Acts 2007, No. 1573, § 41. Arkansas Code § 6-80-107 (a)(2) and (c) were also amended by Acts 2007, No. 820, § 1 to read as follows: “(a)(2) The uniform transcripts shall be transmitted electronically to the Department of Higher Education as necessary to process state financial aid applications for both high school students and higher education students and between public high schools to correctly enroll and place students that transfer between public schools.”

“(c)(1) The Department of Education shall prescribe a uniform method of formatting and electronically transmitting transcripts that shall be used by all kindergarten through grade eight (K-8) public elementary and middle schools in the state.

(2) The uniform transcripts shall be transmitted electronically between all kindergarten through grade twelve (K-12) public schools as necessary to correctly enroll and place students transferring between public schools.”

**Amendments.** The 2007 amendment by No. 820, in (a), inserted “and transmitting” and “public” in (1), added “and between public high schools to correctly enroll and place students that transfer between public schools” in (2), and added (3) and (4); in (b), inserted “Except as provided under subdivision (b)(2) of this section” in (1), and added (2); added (c); and made related changes.

The 2007 amendment by No. 1573, in (a), inserted “and transmitting” and “public” in (1), and added (2)(B); added (c); and made related and stylistic changes.

## CHAPTER 81

### STUDENT LOANS

#### SUBCHAPTER.

1. GENERAL PROVISIONS.
6. TEACHER OPPORTUNITY PROGRAM.
7. RURAL MEDICAL PRACTICE STUDENT LOANS AND SCHOLARSHIPS.
11. FINANCING POSTSECONDARY OUT-OF-STATE EDUCATION.
12. GRADUATE NURSING PRACTICE AND NURSE EDUCATOR STUDENT LOANS AND SCHOLARSHIPS.
14. NURSING STUDENT LOAN PROGRAM.
15. STATE TEACHER ASSISTANCE RESOURCE PROGRAM. [REPEALED.]
16. STATE TEACHER EDUCATION PROGRAM.

#### SUBCHAPTER 1 — GENERAL PROVISIONS

##### SECTION.

- 6-81-101. Definitions.
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##### SECTION.

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## SECTION.

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6-81-126. Purchase of student loan notes.

6-81-127 — 6-81-129. [Repealed.]

## SECTION.

6-81-131. [Repealed.]

6-81-132. Interest rate exchange agreement.

**6-81-101. Definitions.**

As used in this subchapter:

(1)(A) "Education loan" means a loan made to a student or the parent, legal guardian, or sponsor of the student or to an eligible institution for the purpose of financing a student's attendance at the eligible institution.

(B) The loan may provide that the student or parent, legal guardian, sponsor of the student, or eligible institution may be held jointly and severally liable for the education loan;

(2) "Eligible institution" means any public or private postsecondary educational institution whose students are eligible for guaranteed education loans, an institution of higher learning, or a vocational school, as defined by regulation of the Arkansas Student Loan Authority;

(3) "Guaranteed educational loan" means a loan made in accordance with Title IV, Part B, of the Higher Education Act of 1965 or pursuant to an alternative educational loan program undertaken by the authority and consistent with the provisions of this subchapter, to a qualified borrower for payment of educational expenses incurred by a student while attending an eligible institution, the payment of principal of and interest on which is insured by the United States Secretary of Education under the Higher Education Act of 1965, by the Student Loan Guarantee Foundation of Arkansas, or by other guarantors as the authority may approve;

(4) "Obligation", or "bond", or "bonds" means any bond, note, certificate, or other evidence of indebtedness, whether or not the interest on the obligation shall be subject to federal income taxation;

(5) "Qualified borrower" means a student or the parent, legal guardian, or sponsor of a student who:

(A) Qualifies for a guaranteed educational loan; and

(B) Is a resident of the State of Arkansas or has been accepted for enrollment at or is attending an eligible institution within the State of Arkansas or is borrowing from a lender doing business within the State of Arkansas, including the authority; and

(6)(A) "Student" means an individual who meets the enrollment and satisfactory progress requirements necessary for making a guaranteed education loan or an education loan as determined by the authority.

(B) Student includes dependent and independent undergraduate, graduate, and professional students.

**History.** Acts 1977, No. 873, § 2; 1981, 429, § 1; 1985, No. 449, § 1; A.S.A. 1947, No. 296, § 1; 1983, No. 937, § 1; 1985, No. § 80-4032; Acts 1987, No. 631, § 1; 1987,

No. 705, § 1; 1993, No. 1284, § 1; 1997, No. 923, § 3; 1999, No. 1218, § 5; 2011, No. 521, § 1.

**A.C.R.C. Notes.** Acts 2011, No. 521, § 1, omitted the definitions of “Arkansas Student Loan Authority” and “Board of Finance”, respectively codified at § 6-81-101(1) and (2). A.C.R.C. staff has determined that it was the intent to repeal these definitions, and § 6-81-101 is set out above accordingly.

**Amendments.** The 2011 amendment,

in (b)(1), inserted “Subject to the requirements of due process and consistent with any applicable federal restrictions and regulations as in effect on January 1, 2011, the” at the beginning, “through stop work orders, citations, fines, and inspection to ensure compliance,” and “zoning,” and deleted “and inspection to ensure compliance therewith” following “health codes”; and substituted “An agreement under subdivision (b)(1) of this section” for “Such agreements” in (b)(2).

## **6-81-102. Arkansas Student Loan Authority — Powers and duties.**

(a) There is established the Arkansas Student Loan Authority.

(b) The authority shall exercise the powers and duties provided under this section.

(c) The authority shall be a public body politic and corporate, with corporate succession, and shall be the instrumentality of the state charged with a portion of the responsibility of the state to provide educational opportunities in keeping with all applicable state and federal laws.

(d)(1) The authority shall be composed of a seven-member board of directors to be appointed by the Governor.

(2) At least one (1) member of the authority shall be a representative of a bank or other private lending institution, and at least one (1) member shall be a financial aid officer from an eligible institution. At least one (1) member of the authority shall be a female, and at least one (1) member shall be a member of a racial minority.

(e) All appointments shall be for a term of four (4) years each or until a successor is appointed.

(f) All vacancies in membership on the authority occurring during a term shall be filled by appointment of the Governor for the unexpired portion of the term.

(g) The authority shall meet at such times and at such places and shall remain in session for such periods of time as the authority shall deem necessary to properly carry out its responsibilities under this subchapter.

(h) The members of the board of directors of the authority may receive a stipend and expense reimbursement in accordance with § 25-16-901 et seq.

(i) The authority shall select from its membership a chair and secretary.

(j) The authority shall employ a director and such other professional and clerical assistance, including legal assistance, as it shall deem necessary or appropriate to properly carry out its responsibilities.

(k) The authority may adopt such rules to be followed by the authority in conducting its business as necessary to carry out the purposes of this subchapter, including rules governing:

(1) Compliance statutes or regulations governing the guaranty, insurance, purchase, or other dealing in guaranteed educational loans or education loans by corporations or federal agencies; and

(2) Standards of eligibility for educational institutions, students, and lenders.

(1) Except as otherwise limited by this subchapter, the authority has the power to:

(1) Sue;

(2) Be sued;

(3) Seal and alter the seal;

(4) Make and alter bylaws for organization and internal management of the authority;

(5) Acquire, hold, and dispose of real and personal property;

(6) Appoint officers, agents, and employees;

(7) Prescribe duties, qualifications, and compensation for officers, agents, and employees;

(8) Borrow money and issue notes, bonds, and other obligations, whether or not the interest is subject to federal income taxation and whether or not on a pooled or consolidated basis;

(9)(A) Issue bonds to provide financing for:

(i) A specific activity or project; or

(ii) Activities or projects secured by and payable solely from the bonds, loan payments, lease payments, or other obligations issued by or payable to the authority and the security and sources of payments.

(B) The authority may request proposals for services before selecting a financial institution to serve as trustee or paying agent, or in any fiduciary capacity in connection with any program, indenture, or general resolution of the authority;

(10) Make, acquire, take, or purchase guaranteed education loans and education loans with the proceeds of bonds, notes, or any other funds of the authority available or any interest or participation in it:

(A) In any amount;

(B) At any price; and

(C) Upon any terms and conditions the authority determines necessary;

(11) Sell guaranteed educational loans or education loans held by the authority to governmental or private financial institutions;

(12) Borrow from governmental or private financial institutions against the security of the guaranteed educational loans or education loans:

(A) In any amount;

(B) At any price; and

(C) Upon any terms and conditions the authority determines necessary;

(13) Consent to the modification with respect to security, rate of interest, time of payment of interest or principal, or any other terms of an obligation, bond, note, contract, or agreement between the authority and the recipient or maker of the loan, obligation, bond, note holder,



agency, or institution guaranteeing the repayment, purchasing, or selling of a guaranteed educational loan, when the authority determines it is necessary, subject to a contract with the holders of the bond holders, note holders, or contractees;

(14) Collect fees and charges in connection with loans, commitments, and servicing, including without limitation the reimbursement of the cost of financing, as determined reasonable and approved by the authority;

(15) Service student loan programs administered by the authority or in which the authority participates or make and execute contracts with an agency, financial institution, or corporation organized under the laws of any state, where the agency, financial institution, or corporation shall service student loan programs administered by the authority or in which the authority participates;

(16) Enter into contracts with schools, lenders, individuals, corporations, other agencies of the state, other states, the United States Department of Education, and other agencies of the federal government to service education loans or guaranteed educational loans, regardless of where the loans originated;

(17) Accept gifts, grants, loans, and other aid from the federal government, state, state agency, political subdivisions of the state, person, corporation, foundation, or legal entity and comply with all conditions attached to the gift, grant, loan, or other aid consistent with this subchapter;

(18) Procure insurance against any loss in connection with the programs, property, and assets of the authority;

(19) Invest moneys of the authority, including proceeds from the sale of bonds, as agreed upon with bondholders, stated in the authorizing resolutions providing for the issuance of bonds and determined by the directors;

(20) Enter into contract with and provide technical assistance and advice to the state, political subdivisions of the state, and local governing authorities;

(21) Conduct studies and analyses of the student loan funding needs within the state and options for meeting student loan funding needs;

(22) Establish accounts in one (1) or more depositories;

(23) Lease, acquire, construct, sell, and deal in contracts concerning facilities;

(24) Participate in federal and other governmental programs established for the purpose of the promotion and development of higher education, student loans, and related matters;

(25)(A) Create one (1) or more nonprofit special purpose corporations for accomplishing the purposes under this subchapter.

(B) Directors and officers of the authority may serve as directors of nonprofit corporations established under this subdivision.

(C) Obligations issued by a nonprofit corporation are subject to §§ 6-81-107 and 6-81-108.

(D) The authority may contract with a nonprofit corporation;

(26) Enter into contracts to guaranty education loans, establish reserve accounts related to guaranty agreements, and adopt rules and criteria for guaranties;

(27) Enter into interest rate exchange agreements or similar agreements or contracts; and

(28) Perform the functions necessary to fulfill the purposes of this subchapter.

**History.** Acts 1977, No. 873, §§ 3, 5; 1979, No. 633, §§ 1, 2; 1985, No. 429, § 2; 1985, No. 449, § 2; A.S.A. 1947, §§ 80-4033, 80-4035; Acts 1989, No. 377, § 1; 1997, No. 250, § 39; 1997, No. 923, § 4; 1999, No. 1218, § 6; 2011, No. 521, § 2.

**A.C.R.C. Notes.** Acts 2011, No. 918, § 3, provided: "TRANSFER OF CONTRACT EMPLOYEE SALARIES. Any individual employed through Edfinancial Services LLC and who is a contract worker with the Arkansas Student Loan Authority without a break in service as defined by the State of Arkansas, shall be eligible to transfer their annual salary, as defined in the contractual agreement with the Arkansas Student Loan Authority, upon the date of transfer. Effective upon the date of transfer, the individual shall become an employee of the State of Arkansas governed by all applicable rules and regulations of the State of Arkansas."

**Amendments.** The 2011 amendment

rewrote (a) and (b); deleted former (c) and redesignated the remaining subsections accordingly; deleted "and its scope and purpose shall be complementary and supplementary to the authority of the Student Loan Guarantee Foundation of Arkansas, as established by § 6-81-201 et seq." at the end of present (c); substituted "a seven-member board of directors" for "seven (7) members" in (d)(1); substituted "an eligible" for "a participating" in (d)(2); added "or until a successor is appointed" at the end of (e); in (h), inserted "of the board of directors," deleted "shall serve without compensation but" following "authority," and inserted "a stipend and"; in (k), substituted "may" for "shall," deleted "and regulations" following "such rules," and substituted "necessary to carry out the purposes of this subchapter, including rules governing"; added (k)(1) and (2); and added (l).

## 6-81-103. [Repealed.]

**Publisher's Notes.** This section, concerning nonprofit corporation in lieu of authority allowed, was repealed by Acts

2011, No. 521, § 3. The section was derived from Acts 1977, No. 873, § 19; A.S.A. 1947, § 80-4049.

## 6-81-104. Rules.

The Arkansas Student Loan Authority may adopt rules not inconsistent with this subchapter as necessary to carry out the purposes of this subchapter.

**History.** Acts 1977, No. 873, § 21; A.S.A. 1947, § 80-4051; Acts 2011, No. 521, § 4.

**Amendments.** The 2011 amendment substituted "rules" for "such regulations,"

deleted "it shall deem" preceding "necessary," substituted "to carry" for "and proper in carrying," and deleted "and intentions" following "purposes."

## 6-81-105. [Repealed.]

**Publisher's Notes.** This section, concerning cooperation by Student Loan Guarantee Foundation of Arkansas, was

repealed by Acts 2011, No. 521, § 5. The section was derived from Acts 1977, No. 873, § 4; A.S.A. 1947, § 80-4034.

### 6-81-106. Financing authority.

In order to provide the necessary funds to carry out the purposes of this subchapter, the Arkansas Student Loan Authority may issue obligations from time to time, regardless of whether the interest on the bonds is subject to federal income taxation, in such principal amounts as it may deem necessary.

**History.** Acts 1977, No. 873, § 6; 1981, No. 296, § 2; 1983 (Ex. Sess.), No. 39, § 1; 1983 (Ex. Sess.), No. 51, § 1; 1983 (Ex. Sess.), No. 62, § 1; A.S.A. 1947, § 80-4036; Acts 2011, No. 521, § 6.

**Amendments.** The 2011 amendment inserted “regardless of whether the interest on the bonds is subject to federal income taxation.”

### 6-81-107. Bonds, notes, etc. — Consent of State Board of Finance.

Before the issuance of any obligation or the advertisement of revenue bonds for public or private sale as provided in § 6-81-112, the obligation shall be authorized by resolution of the Arkansas Student Loan Authority, and the State Board of Finance shall first give its consent by resolution adopted at any regular or special meeting of the board to the issuance of any obligation by the authority under the authority provided herein.

**History.** Acts 1977, No. 873, § 6; 1981, No. 296, § 2; 1983 (Ex. Sess.), No. 39, § 1; 1983 (Ex. Sess.), No. 62, § 1; A.S.A. 1947, § 80-4036; Acts 1987, No. 631, § 2; 1987, No. 705, § 2; 2011, No. 521, § 7.

**Amendments.** The 2011 amendment inserted “or private” and substituted “authority” for “Arkansas Student Loan Authority.”

### 6-81-108. Bonds, notes, etc. — Governor’s consent.

The powers of the Arkansas Student Loan Authority created by this subchapter are limited in that no bonds that are to be issued pursuant to this subchapter shall be sold until the bond issue has the written approval of the Governor after he or she has received the approval of the State Board of Finance.

**History.** Acts 1981, No. 762, § 1; 1983, No. 937, § 9; A.S.A. 1947, § 80-4056; Acts 2011, No. 521, § 8.

substituted “approval” for “advice” and “State Board of Finance” for “Legislative Council.”

**Amendments.** The 2011 amendment

### 6-81-109. Bonds, notes, etc. — Authorizing resolution — Terms and conditions.

(a)(1) The obligations issued under this subchapter shall be authorized by resolution of the Arkansas Student Loan Authority.

(2) The obligations may be issued as registered bonds or coupon bonds payable to bearer and, if coupon bonds, may be registerable as to principal only or as to principal and interest and may be exchangeable for obligations of another denomination or in another form.



(3) The obligations may:

- (A) Be in such form and denomination;
- (B) Have such date or dates;
- (C) Be stated to mature at such time or times;
- (D) Bear interest payable at such times and at such rate or rates, including variable rates;
- (E) Be zero coupon or capital appreciation bonds;
- (F) Be payable at such places within or without the State of Arkansas;
- (G) Be subject to such terms of redemption in advance of maturity at such prices; and
- (H) Contain such terms and conditions, all as the authority shall determine.

(b) The obligations shall be denominated in the currency of the United States unless the authority determines that denominating the obligations in the currency of a foreign country is in the best interest of the authority.

(c) The obligations shall have all the qualities of and are deemed to be negotiable instruments under the laws of the State of Arkansas, subject to provisions as to registration as set forth in subsection (a) of this section.

(d) The authorizing resolution may contain such other terms, covenants, and conditions consistent with this subchapter that the authority deems reasonable and desirable, including without limitation those pertaining to the:

- (1) Maintenance of various funds and reserves;
- (2) Nature and extent of the security for payment of the obligations;
- (3) Issuance of additional obligations and nature of the lien and pledge, parity or priority, in that event;
- (4) Custody and application of the proceeds of the obligations;
- (5) Collection and disposition of revenues;
- (6) Investing for authorized purposes; and
- (7) Rights and duties of the authority and the holders and registered owners of the obligations.

**History.** Acts 1977, No. 873, § 6; 1983, No. 937, § 2; A.S.A. 1947, § 80-4036; Acts 2011, No. 521, § 9.

**Amendments.** The 2011 amendment redesignated former (a) as (a)(1); substituted "issued under this subchapter" for "of each series" in (a)(1); redesignated former (b) as (a)(2) and (3) and rewrote them; inserted present (b); in (c), inserted

"and are deemed to be" and substituted "subsection (a)" for "subsection (b)"; in the introductory language of (d), substituted "consistent" for "not inconsistent" and "the authority deems reasonable and desirable" for "are deemed desirable by the authority"; inserted "for payment of the obligations" in (d)(2); and rewrote (d)(6).

## **6-81-110. Bonds, notes, etc. — Trust indentures.**

The authorizing resolution may provide for the execution of a trust indenture between the Arkansas Student Loan Authority and any financial institution within or without the State of Arkansas containing

any terms, covenants, and conditions that are deemed desirable by the authority, including without limitation those pertaining to the:

- (1) Maintenance of various funds and reserves;
- (2) Nature and extent of the security for the payment of obligations;
- (3) Issuance of additional obligations and the nature of the lien and pledge, parity or priority, in that event;
- (4) Custody and application of the proceeds of the obligations;
- (5) Collection and disposition of revenues;
- (6) Investing and reinvesting of any funds when the funds are not needed for authorized purposes; and
- (7) Rights, obligations, and duties of the authority, the trustee, and the holders and registered owners of the obligations.

**History.** Acts 1977, No. 873, § 6; 1983, No. 937, § 2; A.S.A. 1947, § 80-4036; Acts 2011, No. 521, § 10.

**Amendments.** The 2011 amendment, rewrote the introductory language; deleted “the nature and extent of the security” at the end; of (1); inserted present (2)

and redesignated the remaining subdivisions accordingly; in (6), deleted “in securities specified by the authority” following “reinvesting” and deleted “during periods of time” following “any funds”; and inserted “obligations” in (7).

### 6-81-111. Bonds, notes, etc. — Execution and seal.

(a) Obligations shall be executed by the manual or facsimile signature of the Chair of the Board of Directors of the Arkansas Student Loan Authority and the manual or facsimile signature of the Director of the Arkansas Student Loan Authority or any other director or officer authorized to do so by resolution of the board.

(b) In case any of the officers whose signatures appear on the obligations or coupons shall cease to be such officers before the delivery of such obligations or coupons, their signatures shall, nevertheless, be valid and sufficient for all purposes.

(c) The authority shall adopt and use a seal in the execution and issuance of obligations, and each obligation shall be impressed or imprinted with the seal of the authority or a facsimile thereof.

**History.** Acts 1977, No. 873, § 6; 1983, No. 937, § 2; A.S.A. 1947, § 80-4036; Acts 2011, No. 521, § 11.

**Amendments.** The 2011 amendment, in (a), substituted “Chair of the Board of Directors of the Arkansas Student Loan

Authority” for “chair” and added “or any other director or officer authorized to do so by resolution of the board”; deleted (a)(2); and substituted “impressed or imprinted” for “sealed” in (c).

### 6-81-112. Bonds, notes, etc. — Sale.

(a) Obligations may be sold at a public or private sale as the Arkansas Student Loan Authority determines reasonable and expedient for effectuating the purposes of the authority.

(b) The obligations may be sold at a price the authority may accept, including sale at a discount.

**History.** Acts 1977, No. 873, § 6; 1983, No. 937, § 2; 1983 (Ex. Sess.), No. 51, § 1; A.S.A. 1947, § 80-4036; Acts 2011, No. 521, § 12.

**Amendments.** The 2011 amendment substituted “at a public or private sale as

the Arkansas Student Loan Authority determines reasonable and expedient for effectuating the purposes of the authority” for “at public sale on sealed bids or by negotiation” in (a); deleted former (b) and (d); and redesignated former (c) as (b).

### 6-81-113. Bonds, notes, etc. — Liability.

(a) It shall be plainly stated on the face of each obligation that:

(1) It has been issued under the provisions of this subchapter;

(2) The obligations shall be obligations only of the Arkansas Student Loan Authority;

(3) In no event shall they constitute an indebtedness of the State of Arkansas or an indebtedness for which the faith and credit of the State of Arkansas or any of its revenues are pledged; and

(4) They are not secured by a lien on or a security interest in any property of the State of Arkansas.

(b) A director or officer of the authority shall not be personally liable on the obligations or for any damages sustained by anyone in connection with any contracts entered into in carrying out the purpose and intent of this subchapter unless he or she has acted with a corrupt intent.

**History.** Acts 1977, No. 873, § 7; 1981, No. 296, § 3; A.S.A. 1947, § 80-4037; Acts 2011, No. 521, § 13.

**Amendments.** The 2011 amendment inserted “an indebtedness of the State of Arkansas or” in (a)(3); substituted “lien on

or a security interest in any property of” for “mortgage or lien on any land or buildings belonging to” in (a)(4); and in (b), substituted “A director or officer” for “No member” and inserted “not.”

### 6-81-114. Bonds, notes, etc. — Pledge of revenues.

(a) The obligations of the Arkansas Student Loan Authority shall be payable from and secured by a pledge of revenues derived from or by reason of ownership of guaranteed educational loan notes, education loan notes, and investment income after deduction of expenses of operating the authority’s program.

(b)(1) The payment of the principal, redemption premium, if any, and interest on the trustee’s and paying agent’s fees in connection with the obligations may be secured by a lien on any collateral security received by the authority, including with limitation, the authority’s interest in any loan agreements and the interest and revenue from the loan agreements.

(2) The trustee or holders of the bond are not required to take possession of the loans and collateral security to perfect the lien.

**History.** Acts 1977, No. 873, § 12; 1981, No. 296, § 5; 1985, No. 429, § 6; 1985, No. 449, § 6; A.S.A. 1947, § 80-4042; Acts 2011, No. 521, § 14.

**Amendments.** The 2011 amendment inserted “education loan notes” in (a); and added (b).



**6-81-115. Bonds, notes, etc. — Contract between Arkansas Student Loan Authority and obligation holder.**

(a) Any authorizing resolution by the Arkansas Student Loan Authority and any trust indenture or other loan agreement, together with this subchapter, shall constitute a contract between the authority and the holders and registered owners of the obligations.

(b) The contract and all covenants, agreements, and duties therein shall be promptly performed in strict compliance with the terms and provisions of such contract, and the covenants, agreements, and duties of the authority may be enforced by mandamus or other appropriate proceedings at law or in equity.

**History.** Acts 1977, No. 873, § 14; 1981, No. 296, § 6; 1983, No. 937, § 4; A.S.A. 1947, § 80-4044; Acts 2011, No. 521, § 15.

**Amendments.** The 2011 amendment substituted “and registered owners of the obligations” for “of any obligation of the authority” in (a).

**6-81-116. Bonds, notes, etc. — Tax exemption.**

(a) Obligations issued under the provisions of this subchapter and the interest thereon, unless specifically declared to be taxable in the authorizing resolution, shall be exempt from all state, county, and municipal taxes.

(b) The exemption shall include income, inheritance, and estate taxes.

**History.** Acts 1977, No. 873, § 20; 1981, No. 296, § 7; A.S.A. 1947, § 80-4050; Acts 2011, No. 521, § 16.

inserted “unless specifically declared to be taxable in the authorizing resolution” in (a).

**Amendments.** The 2011 amendment

**6-81-118. Cash funds — Sufficient redemption fund required.**

(a)(1) All moneys received by the Arkansas Student Loan Authority or its trustee as repayment of principal or interest on an education loan or as repayment of principal or interest on a guaranteed educational loan, including payments by the United States as subsidies, in payment of the guarantee on guaranteed educational loans made or purchased under the authority of this subchapter or as income on any other investment authorized by this subchapter are hereby specifically declared to be cash funds.

(2) The moneys shall not be deposited into the State Treasury but shall be deposited as required by the agreement or trust indenture for each different series of obligations of the authority.

(3) A sufficient amount of such money shall always be made available to any redemption fund securing outstanding obligations of the authority to ensure their payment and interest thereon as they mature.

(b) All revenues received by the authority, except revenues derived from a state appropriation, are declared to be restricted cash funds and shall be used as provided in this subchapter.

(c) The authority may use the proceeds of any bond issues, together with any other available funds, for:

- (1) Making loans;
- (2) Purchasing loans and security interests in loan participations as authorized;
- (3) Paying incidental expenses in connection with loans;
- (4) Paying expenses of authorizing and issuing bonds;
- (5) Paying interest on bonds until revenues are available in sufficient amounts from the bonds; and
- (6) Funding reserves as necessary.

(d) Revenues received by the authority shall not be deposited into the State Treasury except those revenues received by state appropriation.

(e) Funds of the authority shall not inure to the benefit of or be distributed to employees, officers, or directors of the authority except as authorized as reasonable compensation.

(f) The revenues not deposited into the State Treasury shall be deposited into an account or accounts specified by resolution of the authority and used for carrying out the provisions of any resolution, indenture securing bonds of the authority, or other agreement of the authority under this subchapter.

(g) The authority may establish one (1) or more special funds or accounts to secure bonds issued as necessary under this subchapter.

**History.** Acts 1977, No. 873, § 13; 1983, No. 937, § 3; 1985, No. 429, § 7; 1985, No. 449, § 7; A.S.A. 1947, § 80-4043; Acts 1987, No. 631, § 4; 1987, No. 705, § 4; 2011, No. 521, § 17.

**Amendments.** The 2011 amendment, in (a)(1), substituted "Arkansas Student Loan Authority or" for "authority of" and

inserted "on an education loan or as re-payment of principal or interest on a guaranteed educational loan"; redesignated former (b) and (c) as (a)(2) and (a)(3); substituted "authority" for "Arkansas Student Loan Authority" in (a)(2); and added (b) through (g).

## 6-81-119. Refunding obligations.

(a) Obligations may be issued for refunding, either at maturity or in advance of maturity, any obligations issued under this subchapter.

(b)(1) The refunding obligations may be sold or delivered in exchange for the obligations being refunded.

(2) If sold, the proceeds may be applied to the payment of the obligations being refunded or deposited in trust and there be maintained in cash or investments for the retirement of the obligations being refunded, as specified by the Arkansas Student Loan Authority and the authorizing resolution or trust indenture securing the refunding obligations.

(3) The authorizing resolution or trust indenture securing the refunding obligations may provide that the refunding obligations shall have the same security for payment as provided for the obligations being refunded.

(c) Refunding obligations shall be sold and secured in the manner as provided for the sale and security of the obligations under this subchapter.

**History.** Acts 1977, No. 873, § 16; 1983, No. 937, § 5; A.S.A. 1947, § 80-4046; Acts 2011, No. 521, § 18. **Amendments.** The 2011 amendment rewrote the section.

### **6-81-120. Obligations designated as legal and authorized investments.**

(a) All the obligations issued under this subchapter are legal and authorized investments for:

- (1) Banks;
- (2) Savings banks;
- (3) Trust companies;
- (4) Savings and loan associations;
- (5) Insurance companies;
- (6) Fiduciaries;
- (7) Trustees and guardians;
- (8) Any municipality or any board, commission, or other authority established by ordinance of any municipality or the boards of trustees of any municipality;
- (9) The fireman's relief and pension fund of any municipality;
- (10) The policeman's pension and relief fund of any municipality; or
- (11) The board of trustees for any retirement system created by the General Assembly.

(b) Obligations issued under this section shall be eligible to secure the deposit of public funds.

**History.** Acts 1977, No. 873, § 17; 1983, No. 937, § 6; A.S.A. 1947, § 80-4047; Acts 2011, No. 521, § 19. subdivided the former section into (a) through (a)(11); added (b); rewrote (a)(8); added (a)(9) and (10); and added "The board of trustees" in (a)(11).

**Amendments.** The 2011 amendment

### **6-81-121. [Repealed.]**

**Publisher's Notes.** This section, concerning bonds, notes, etc. — sufficient security for state and local funds, was repealed by Acts 2011, No. 521, § 20. The section was derived from Acts 1977, No. 873, § 17; 1983, No. 937, § 6; A.S.A. 1947, § 80-4047.

### **6-81-122. Bonds, notes, etc. — Investment of excess funds.**

Moneys in funds created by resolution or trust indenture of the Arkansas Student Loan Authority in excess of the amount then necessary for making education loans or guaranteed educational loans and purchasing education loan notes or guaranteed educational loan notes under this subchapter or in excess of the amount necessary to meet current debt service may be invested by the authority or on its behalf in:



- (1) Direct obligations or obligations whose principal and interest are guaranteed by the United States;
- (2) Direct obligations of or participation certificates guaranteed by the Federal Financing Bank, Federal Intermediate Credit Bank, federal land banks, Federal Home Loan Bank, Government National Mortgage Association, or banks for cooperatives;
- (3) Certificates of deposit of any bank, savings and loan association, or trust company whose deposits are fully secured by a pledge of securities of any kind specified in subdivision (1) or subdivision (2) of this section;
- (4) Certificates of deposit of any bank, savings and loan association, or trust company, which deposit is fully insured by the Federal Deposit Insurance Corporation;
- (5) Repurchase agreements sold by any bank, savings and loan association, or trust company, provided that the repurchase agreement is fully secured by a pledge of securities of any kind specified in subdivision (1) or subdivision (2) of this section;
- (6) General obligations of the state or its political subdivisions;
- (7) Obligations, including investment agreements, of any bank, savings and loan association, trust company, or other financial institution, or a holding company thereof, whose credit is rated in either of the top two (2) rating categories by a nationally recognized credit rating service or corporation;
- (8) Money market funds that invest only in obligations described in subdivision (1) or subdivision (2) of this section, or which are rated in the highest two (2) categories by one (1) or more nationally recognized rating agencies; and
- (9) Any other investment permitted by the indenture under which such funds are held, provided that such investment is rated as investment grade by one (1) or more nationally recognized rating agencies.

**History.** Acts 1977, No. 873, § 18; 1979, No. 633, § 2; 1983, No. 937, § 7; 1985, No. 429, § 9; 1985, No. 449, § 9; A.S.A. 1947, § 80-4048; Acts 1993, No. 1284, § 3; 2011, No. 521, § 21.

**Amendments.** The 2011 amendment inserted “education loans or” and “education loan notes or” in the introductory paragraph.

### 6-81-124. Student loan funds.

- (a) All proceeds derived from a particular obligation under the provisions of this subchapter shall be deposited into a fund to be known as the proceeds fund which shall be maintained in such bank or banks as shall be determined by the Arkansas Student Loan Authority, and funds deposited into the fund shall be expended only on approval of the authority.
- (b) A separate and distinct proceeds fund shall be maintained for each different obligation issued by the authority.
- (c) Funds credited to a proceeds fund may be used for any or all of the following purposes:

(1) The payment of the necessary expenses, including, without limitation, the costs of issuing the authority's obligations, incurred by the authority in carrying out its responsibilities under this subchapter;

(2) The establishment of a debt service reserve account to secure the payment of obligations;

(3) The making of guaranteed educational loans to qualified borrowers, so long as the authority does not compete with participating private lending institutions in the making of guaranteed educational loans;

(4) The purchase, either directly or acting through a bank with trust powers for its account, of guaranteed educational loan notes executed after March 30, 1977, by qualified borrowers or of education loan notes;

(5) The acquisition of an investment contract or contracts or any other investments permitted under an indenture of the authority securing its obligations. However, the income from the contract, contracts, or investments, after payment of the obligations and all expenses associated therewith, shall be used by the authority to assist in carrying out its purposes under this subchapter; and

(6) The making of education loans.

**History.** Acts 1977, No. 873, § 8; 1981, No. 296, § 4; 1985, No. 429, § 3; 1985, No. 449, § 3; A.S.A. 1947, § 80-4038; Acts 1987, No. 631, § 3; 1987, No. 705, § 3; 1993, No. 1284, § 5; 2011, No. 521, § 22.

**Amendments.** The 2011 amendment inserted "or of education loan notes" in (c)(4); and added (c)(6).

## 6-81-126. Purchase of student loan notes.

Before purchasing a guaranteed educational loan note or an education loan note under this subchapter, the Arkansas Student Loan Authority shall reasonably determine that:

(1) The note represents a loan actually disbursed to a qualified borrower;

(2) Due diligence both in making and collecting the loan has been exercised with respect to that loan;

(3) The loan meets such other reasonable criteria as may be established from time to time by the authority; and

(4) Other defects do not exist affecting the ability of the loan to be guaranteed.

**History.** Acts 1977, No. 873, §§ 11, 15; 1985, No. 429, §§ 5, 8; 1985, No. 449, §§ 5, 8; A.S.A. 1947, §§ 80-4041, 80-4045; Acts 1993, No. 1284, § 6; 2011, No. 521, § 23.

**Amendments.** The 2011 amendment inserted "or an education loan note" in the introductory paragraph.

## 6-81-127 — 6-81-129. [Repealed.]

**Publisher's Notes.** These sections, concerning students of proprietary institutions — reports, collection of defaulted loans, and contracts with entities for cer-

tain services authorized, were repealed by Acts 2011, No. 521, § 24. They were derived from the following sources:

6-81-127. Acts 1977, No. 951, §§ 5, 6;

A.S.A. 1947, §§ 80-4053, 80-4054; Acts 6-81-129. Acts 1977, No. 873, § 15; 1993, No. 1284, § 7; 1997, No. 112, § 23. 1985, No. 429, § 8; 1985, No. 449, § 8; 6-81-128. Acts 1979, No. 1072, § 1; A.S.A. 1947, § 80-4045; Acts 1993, No. A.S.A. 1947, § 80-4055. 1284, § 8.

### 6-81-131. [Repealed.]

**Publisher's Notes.** This section, concerning administration of existing programs, was repealed by Acts 2011, No. 521, § 25. The section was derived from Acts 2001, No. 1607, § 1; 2009, No. 1215, § 1.

### 6-81-132. Interest rate exchange agreement.

(a) The Arkansas Student Loan Authority may enter into an interest rate exchange agreement or similar agreement or contract with any person on a competitive or negotiated basis under terms and conditions determined by the authority, including terms regarding:

- (1) Default;
- (2) Early termination; and
- (3) Indemnification for the loss of benefits.

(b) The authority may exercise the means necessary to manage an interest rate exchange agreement, including without limitation:

- (1) Procuring insurance, letters of credit, or other credit enhancement;
- (2) Providing security for the payment or performance of obligations; and
- (3) Modifying, amending, or replacing an interest rate exchange agreement.

(c) The authority shall not enter into an interest rate exchange agreement unless:

- (1) Either:
  - (A) The counterparty to the agreement has obtained a credit rating from one (1) or more nationally recognized statistical rating agencies that is at least equal to the lowest investment grade rating of any of the authority's bonds by a rating agency; or
  - (B) The payment obligations of the counterparty are unconditionally guaranteed by an entity with the credit ratings required by this subdivision;

(2) The written agreement or contract provides that if the rating of the counterparty or of the guarantor of the counterparty falls below the rating level stated in subdivision (c)(1) of this section during the term of the agreement, the obligation of the counterparty or guarantor shall pay the aggregate security value of the contract to the authority that shall be collateralized by the counterparty's or guarantor's investment obligations to the extent required by the authority; and

(3) The authority files in its records a finding by independent financial advisors that the terms and conditions of the interest rate exchange agreement or similar agreement or contract reflect a fair market value regardless of whether the agreement was solicited on a competitive or negotiated basis.



(d) Before approving a contract for an interest rate exchange agreement or similar agreement or contract, the authority shall adopt guidelines for the use of an interest rate exchange agreement or a similar agreement or contract that include without limitation the:

- (1) Methods for solicitation and procurement of an agreement;
- (2) Standards and procedures for counterparty selection;
- (3) Aspects of risk exposure associated with agreements;
- (4) Types of agreements that may be entered into;
- (5) Collateralization requirements imposed upon a counterparty or guarantor in the event of a rating agency downgrade; and
- (6) Long-term implications associated with entering into agreements, including:
  - (A) Costs of borrowing;
  - (B) Historical trends;
  - (C) Potential impact on the future ability to redeem bonds, including opportunities to refund related debt obligations; and
  - (D) Other considerations.

(e) The authority may amend guidelines for an interest rate exchange agreement or similar agreement or contract and shall make the amended guidelines available for public inspection.

(f) The authority shall disclose each interest rate exchange agreement or similar agreement or contract in which the authority is a party to the Governor and the State Board of Finance within thirty (30) days of becoming a party to the agreement or contract.

**History.** Acts 2011, No. 521, § 26.

## SUBCHAPTER 6 — TEACHER OPPORTUNITY PROGRAM

### SECTION.

- 6-81-601. Purpose.  
6-81-602. Establishment.  
6-81-603. Administration.  
6-81-604. Conditions.  
6-81-605. Grants — Priority.

### SECTION.

- 6-81-607. Definitions.  
6-81-608. Dual Licensure Incentive Program.  
6-81-609. Dual licensure funding.  
6-81-610. [Repealed.]

### 6-81-601. Purpose.

There is an existing need in the state to enhance the academic expertise of employed teachers in Arkansas by providing opportunities for them to pursue additional college instruction related to their employment.

**History.** Acts 1987, No. 331, § 1; 2005, No. 2196, § 1.

### 6-81-602. Establishment.

There is established a program to be known as the “Teacher Opportunity Program”.

**History.** Acts 1987, No. 331, § 2; 2005, No. 2196, § 2.

### **6-81-603. Administration.**

(a) The Teacher Opportunity Program shall be administered by the Department of Higher Education, which shall have the authority to establish necessary rules, regulations, procedures, and selection criteria for the administration of the program and to designate necessary forms and schedules.

(b) The department may utilize an appropriate advisory committee to assist it in its responsibilities in this program.

**History.** Acts 1987, No. 331, § 5; 2005, No. 2196, § 3.

### **6-81-604. Conditions.**

The Department of Higher Education may make initial and continuing grants to students under the following conditions:

(1) Grant recipients shall be bona fide residents of the State of Arkansas, as defined by the Department of Higher Education;

(2) Grant recipients shall maintain current certification with the Department of Education, allowing them to be employed by the public schools in Arkansas;

(3) Grant recipients shall be currently employed as teachers or administrators in Arkansas and declare an intention to continue that employment in Arkansas;

(4) Grant recipients shall be enrolled in an eligible accredited college or university in Arkansas;

(5) Grant recipients shall be enrolled in college-level courses directly related to their employment as certified by the Commissioner of Education; and

(6) Grant recipients shall maintain a grade point average in their college work of no less than 2.5 on a 4.0 scale or maintain an appropriate equivalent as determined by the Department of Higher Education.

**History.** Acts 1987, No. 331, § 3; 2005, No. 2196, § 4.

### **6-81-605. Grants — Priority.**

(a)(1) The first priority for the award of funds under the Teacher Opportunity Program is the award of reimbursements under the Dual Licensure Incentive Program, §§ 6-81-607 — 6-81-609.

(2) If funds are available after all awards are made under the Dual Licensure Incentive Program, then additional reimbursements may be made in accordance with the following:

(A) Students may receive reimbursements up to but not in excess of the cost of student fees, books, and instructional supplies at the

public institution of higher education in this state assessing the highest rate of student fees;

(B) The reimbursements made to one (1) individual within one (1) fiscal year may not exceed the costs associated with six (6) semester credit hours or the equivalent of six (6) semester credit hours; and

(C) All other requirements established by the Department of Higher Education are met.

(b)(1) The Department of Higher Education shall determine priorities for awarding reimbursements if there are more applicants than funds available.

(2) Priorities shall be determined in coordination with the Department of Education and shall be based on the needs of the state.

**History.** Acts 1987, No. 331, § 3; 2005, No. 2196, § 5; 2009, No. 1214, § 1.

**Amendments.** The 2009 amendment substituted “reimbursements” for “scholarships” in (a)(1), for “grants” in (a)(2), (a)(2)(A), and (b)(1), and for “grant or

grants” in (a)(2)(B); substituted “§ 6-81-609” for “§ 6-81-610” in (a)(1); substituted “Licensure” for “Certification” in (a)(1) and (a)(2); inserted (a)(2)(C); and made related and minor stylistic changes.

## 6-81-607. Definitions.

As used in this subchapter:

(1) “Classroom teacher” means an individual who is required to hold a teaching license from the Department of Education and who is:

(A) Engaged directly in instruction with students in a classroom setting for more than seventy percent (70%) of the individual’s contracted time;

(B) A media specialist or librarian;

(C) A guidance counselor; or

(D) An administrator;

(2) “Dual licensure” means licensure to teach in more than one (1) subject area; and

(3) “Student” means a classroom teacher who is attending an institution of higher education as part of the Dual Licensure Incentive Program, §§ 6-81-607 — 6-81-609.

**History.** Acts 2005, No. 2196, § 6; 2009, No. 1214, § 2.

**Amendments.** The 2009 amendment inserted (1)(D); substituted “licensure” for

“certification” twice in (2); rewrote (3), which formerly defined “dual certification incentive bonus”; and made related and minor stylistic changes.

## 6-81-608. Dual Licensure Incentive Program.

(a) There is created the Dual Licensure Incentive Program to encourage classroom teachers currently employed by school districts in the state to return to college to obtain licensure in one (1) or more additional subject areas.

(b) The program shall be administered by the Department of Higher Education.



(c)(1) A classroom teacher returning to college as a student may receive a reimbursement not to exceed the cost of student fees, books, and instructional supplies.

(2) The student fee reimbursement amount shall be based on the student fees of the state-supported institution of higher education that assesses the highest rate of student fees in this state.

(d) The reimbursement made to a classroom teacher returning to college as a student in one (1) fiscal year may not exceed the cost associated with six (6) semester credit hours or the equivalent of six (6) semester credit hours.

**History.** Acts 2005, No. 2196, § 6; or variant twice in (a); and added (c) and 2009, No. 1214, § 3. (d) and changed the section heading accordingly.

**Amendments.** The 2009 amendment substituted "licensure" for "certification"

### **6-81-609. Dual licensure funding.**

(a)(1)(A) A classroom teacher employed by a school district in the state may receive a reimbursement from the Dual Licensure Incentive Program if the classroom teacher returns to an approved institution of higher education to obtain licensure in an additional subject area:

(i) Declared to be a shortage area by the Department of Education;

(ii) That the classroom teacher is currently teaching but for which he or she does not have a licensure; or

(iii) And grade level in which the school district has requested a waiver under § 6-17-309.

(B)(i) A reimbursement from the Dual Licensure Incentive Program shall include funding for the cost of tuition, books, and fees not to exceed three thousand dollars (\$3,000) each college year.

(ii) The amount of the reimbursement and the number of reimbursement recipients selected by the Department of Higher Education is contingent on the appropriation and availability of funding for such a purpose.

(2) To be eligible for a reimbursement under the program, the person shall be:

(A) Employed as a classroom teacher for no less than three (3) years of teaching immediately preceding the application; and

(B) Accepted for enrollment in a classroom teacher education program that will lead to a licensure to teach in a subject area that:

(i) Is different from the classroom teacher's current area of licensure; and

(ii) Either:

(a) Has been identified as a subject area with a shortage of classroom teachers as declared by the Department of Education; or

(b) Is in the grade level and subject matter area for which the school district has requested a waiver under § 6-17-309.

(b)(1) The Arkansas Higher Education Coordinating Board shall promulgate rules as necessary to implement the program.

(2) The number of classroom teacher participants each year shall be determined by the amount of funding available for the program and the limitations set under this section.

**History.** Acts 2005, No. 2196, § 6; 2009, No. 1214, § 4.  
**Amendments.** The 2009 amendment rewrote the section and substituted “licensure” for “certification” in the section heading.

**6-81-610. [Repealed.]**

**Publisher’s Notes.** This section, concerning dual certification bonus, was repealed by Acts 2009, No. 1214, § 5. The section was derived from Acts 2005, No. 2196, § 6.

**SUBCHAPTER 7 — RURAL MEDICAL PRACTICE STUDENT LOANS AND SCHOLARSHIPS**

SECTION.

- 6-81-701. Definitions.
- 6-81-702. Arkansas Rural Medical Practice Student Loan and Scholarship Board.
- 6-81-703. Loan applications — Medical students and medical school graduates.
- 6-81-704. Medical students — Investigation after application.
- 6-81-705. Medical students — Purpose of loan.
- 6-81-706. Medical students — Eligibility for initial and renewal loans.
- 6-81-707. Maximum amount of loans.
- 6-81-708. Loan contracts — Rural Medical Practice Loans — Obligations and conditions.
- 6-81-709. [Repealed.]
- 6-81-710. Funding of loans.

SECTION.

- 6-81-714. Dispute resolution — Determination of breach.
- 6-81-715. Medical school graduates — Community match contract — Eligibility for community match loans.
- 6-81-716. Medical school graduates — Community match contract — Obligations and conditions.
- 6-81-717. [Repealed.]
- 6-81-718. Medical school alternates — Rural medical practice loans.
- 6-81-720. Rural Medical Practice Student Loan and Scholarship Program administrator.
- 6-81-721. Noninterference with pending litigation.
- 6-81-722. Sunset clause.

**Effective Dates.** Acts 2007, No. 1058, § 10: Apr. 4, 2007. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that amendments and clarifications are needed in order for all rural communities to have more equal access to physician providers, for the Rural Medical Practice Student Loan and Scholarship Board to have more flexibility in working with loan recipients to remedy contractual obligations, and for attempts at resolution to occur; and that it is imperative that

changes be made in state law to remedy these problems. Therefore, an emergency is declared to exist, and this act being necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

**6-81-701. Definitions.**

As used in this subchapter:

(1) "Board" means the Arkansas Rural Medical Practice Student Loan and Scholarship Board;

(2) "Designated specialty" means a medical practice other than primary care that a loan or income incentive recipient and the board have agreed will be practiced in the qualified rural community;

(3) "Medically underserved" means an area that the board determines to have unmet needs for medical services due to factors including without limitation:

(A) The ratio of primary care physicians to population;

(B) The infant mortality rate;

(C) The percentage of:

(i) Population with incomes below the federal poverty level, as it existed on January 1, 2007;

(ii) Resident individuals sixty (60) years of age and older; and

(iii) Physicians sixty (60) years of age and older;

(D) Accessibility within the area to primary care medicine; and

(E) Other relevant criteria the board may deem necessary for a determination of unmet needs for medical services;

(4) "Primary care medicine" means health care provided in one (1) of the following areas of practice:

(A) Family medicine;

(B) General internal medicine;

(C) General internal medicine and pediatrics;

(D) General pediatrics;

(E) General obstetrics and gynecology;

(F) General surgery;

(G) Emergency medicine; and

(H) Geriatrics; and

(5) "Qualified rural community" means an area reasonably determined by the board to be medically underserved.

**History.** Acts 1949, No. 131, § 9; 1955, No. 69, § 2; 1963, No. 181, § 1; 1971, No. 133, § 7; 1971, No. 533, § 7; 1972 (Ex. Sess.), No. 62, § 1; 1981, No. 47, § 2; 1983, No. 649, § 1; 1985, No. 797, § 1; A.S.A. 1947, § 80-2916; Acts 1987, No. 151, § 3; 1991, No. 359, § 2; 1995, No. 1114, § 1; 1995, No. 1257, § 1; 2003, No. 676, § 1; 2007, No. 1058, § 1; 2009, No. 708, § 1.

**Amendments.** The 2007 amendment substituted "As used in" for "For purposes

of" in the introductory paragraph; added (2)(G) and (3) through (5); and deleted former (3).

The 2009 amendment, in (2), inserted "or income incentive" and deleted "provided the loan recipient has identified a community or communities that have agreed to accept that loan recipient in the designated specialty" following "community"; inserted (4)(H); and made related changes.



**RESEARCH REFERENCES**

**U. Ark. Little Rock L. Rev.** Survey of for Students, 26 U. Ark. Little Rock L. Legislation, 2003 Arkansas General As- Rev. 379.  
sembly, Education Law, Loan Programs

**6-81-702. Arkansas Rural Medical Practice Student Loan and Scholarship Board.**

(a)(1) There is established the Arkansas Rural Medical Practice Student Loan and Scholarship Board composed of:

(A) The Dean of the College of Medicine of the University of Arkansas for Medical Sciences as chair;

(B) One (1) representative of the Arkansas Medical Society as vice chair;

(C) The Chancellor of the University of Arkansas for Medical Sciences;

(D) One (1) representative of the College of Medicine of the University of Arkansas for Medical Sciences, named by the dean of that school;

(E) Two (2) physician members appointed by the Arkansas Medical Society, giving preference to physicians who have received rural medical practice loans, community match loans, or income incentives; and

(F) Two (2) representatives appointed by the Arkansas Hospital Association.

(2) Vacancies shall be filled in a similar manner.

(b) The board shall:

(1) Promulgate reasonable rules necessary to execute the provisions of this subchapter, including rules addressing the requirements and in conformance with the requirements of the Arkansas Administrative Procedure Act, § 25-15-201 et seq., and other appropriate state laws in promulgating and placing rules into effect:

(A) For a health professions shortage area;

(B) To become a qualified rural community eligible to participate in the Rural Medical Practice Student Loan and Scholarship Program or the Community Match Rural Physician Recruitment Program; and

(C) For a procedure to resolve disputes arising out of or relating to a rural practice or community match loan or income incentive contract;

(2) Prescribe forms for and regulate the submission of loan applications;

(3) Determine eligibility of applicants;

(4) Allow or disallow loan or income incentive applications;

(5) Contract, increase, decrease, terminate, and otherwise regulate all loan and income incentive disbursements for these purposes, receipts for their repayment, and convert loans to scholarships or grants, as applicable;

(6) Manage, operate, and control all funds and property appropriated or otherwise contributed for this purpose;

(7) Accept gifts, grants, bequests, or devises and apply them as a part of this program;

(8) Sue and be sued as the board; and

(9) Accept moneys from federal programs that may be used for furtherance of the purposes of this subchapter.

(c) The members of the board may receive expense reimbursement and stipends in accordance with § 25-16-901 et seq.

(d) The Arkansas Rural Medical Practice Student Loan and Scholarship Board shall administer the Rural Medical Practice Student Loan and Scholarship Program and the Community Match Rural Physician Recruitment Program.

**History.** Acts 1949, No. 131, §§ 1-3; 1971, No. 133, §§ 1-3; 1971, No. 533, §§ 1-3; A.S.A. 1947, §§ 80-2908 — 80-2910; Acts 1987, No. 151, § 1; 1995, No. 1114, § 2; 1997, No. 250, § 40; 2007, No. 1058, § 1; 2009, No. 708, § 1.

**Amendments.** The 2007 amendment, in (a)(1)(B), substituted “One (1) representative of” for “The President of” and “Society” for “Association”; deleted “for Health Sciences” following “Chancellor” in (a)(1)(C); in (a)(1)(E), substituted “physician member appointed by” for “physicians named by the President of” and “Society, giving preference to physicians who have received rural medical practice loans or community match loans” for “Association”; added (a)(1)(F); inserted “and in conformance . . . regulations into effect” in (b)(1); in (b)(1)(B), substituted “Rural

Medical Practice” for “Community Match” and added “or the Community Match Loan and Rural Physician Recruitment Program”; added (b)(1)(C); in (b)(2) and (b)(4), inserted “loan” and deleted “for financial assistance” following “applications”; in (b)(5), substituted “loan disbursements for these purposes” for “grants for this purpose” and added “or grants, as applicable”; added (d); and made related and stylistic changes.

The 2009 amendment inserted “or income incentives” in (a)(1)(E); in (b), deleted “and regulations” following “rules” twice and substituted “rules” for “regulations” once in (b)(1), inserted “or income incentive” or similar language in (b)(1)(C), (b)(4), and (b)(5), and made related and minor stylistic changes; and deleted “Loan and” following “Community Match” in (d).

### 6-81-703. Loan applications — Medical students and medical school graduates.

(a) Any student accepted for admission to or enrolled in good standing in the College of Medicine of the University of Arkansas for Medical Sciences in studies leading to the degree of Doctor of Medicine who is a bona fide resident of Arkansas may apply for a loan under this subchapter on forms prescribed by the Arkansas Rural Medical Practice Student Loan and Scholarship Board.

(b) A graduate of the College of Medicine of the University of Arkansas for Medical Sciences or any accredited medical school in the United States may apply for the community match income incentive program under this subchapter on forms prescribed by the board so long as the applicant satisfies the criteria set forth in § 6-81-715.

**History.** Acts 1949, No. 131, § 4; 1971, No. 133, § 4; 1971, No. 533, § 4; A.S.A. 1947, § 80-2911; Acts 2007, No. 1058, § 1; 2009, No. 708, § 2.

**Amendments.** The 2007 amendment rewrote the section heading; added the (a) designation; and added (b).  
 following "United States" and substituted "the community match income incentive program" for "a community match loan."

The 2009 amendment, in (b), deleted "who is a bona fide resident of Arkansas"

#### **6-81-704. Medical students — Investigation after application.**

When a rural medical practice loan application is filed with the Arkansas Rural Medical Practice Student Loan and Scholarship Board, the board shall examine the application, investigate the ability, character, and qualifications of the applicant, and investigate the financial standing of the applicant or his or her parents to determine whether the applicant is in need of a loan to advance his or her medical education.

**History.** Acts 1949, No. 131, § 5; A.S.A. 1947, § 80-2912; Acts 2007, No. 1058, § 2.  
**Amendments.** The 2007 amendment inserted "rural medical practice."

#### **6-81-705. Medical students — Purpose of loan.**

Rural medical practice loans provided for in this subchapter shall be made for the sole purpose of paying the applicant's tuition, maintenance, and educational expenses and the necessary living expenses of his or her dependents while the applicant is enrolled in a program of medical education as described in this subchapter.

**History.** Acts 1949, No. 131, § 7; 1971, No. 133, § 6; 1971, No. 533, § 6; 1981, No. 47, § 1; A.S.A. 1947, § 80-2914; Acts 2007, No. 1058, § 2.  
**Amendments.** The 2007 amendment substituted "Rural medical practice" for "The."

#### **6-81-706. Medical students — Eligibility for initial and renewal loans.**

(a) The Arkansas Rural Medical Practice Student Loan and Scholarship Board may make rural medical practice loans to the applicant, each rural medical practice loan being expressly made subject to the provisions of §§ 6-81-708(c) and 6-81-710, if it finds that:

- (1) The applicant is a bona fide resident of Arkansas;
- (2) The applicant has been accepted for admission to or is enrolled in good standing in the College of Medicine of the University of Arkansas for Medical Sciences in studies leading to the degree of Doctor of Medicine;
- (3) The applicant is enrolled in a medically underserved and rural practice curriculum;
- (4) The applicant needs financial assistance to complete his or her medical studies;
- (5) The applicant desires to practice medicine in an eligible qualified rural community; and
- (6) The applicant is a person of good moral character and one who has the talent and capacity to profit by medical studies.



(b) Subject to the availability of funds, an initial rural medical practice loan for one (1) academic year shall be renewable annually for the number of years required to complete studies leading to the Doctor of Medicine degree or for additional amounts, not to exceed the maximum amounts specified in § 6-81-707, but all subsequent rural medical practice loans shall be granted only upon application by the recipient and a finding by the board that:

(1) The applicant has completed successfully the medical studies of the preceding academic year and remains in good standing as an enrolled student in the college;

(2) The applicant is enrolled or participating in a medically underserved and rural practice curriculum;

(3) The applicant continues to be a resident of Arkansas; and

(4) The applicant's financial situation continues to warrant financial assistance made under the conditions of this section.

**History.** Acts 1949, No. 131, § 6; 1955, No. 69, § 1; 1971, No. 133, § 5; 1971, No. 533, § 5; A.S.A. 1947, § 80-2913; Acts 1987, No. 151, § 2; 1995, No. 1114, § 3; 2007, No. 1058, § 2; 2009, No. 376, § 55.

substituted "6-81-708(c)" for "6-81-708(d)" in (a).

The 2009 amendment, in (a)(5), substituted "qualified rural community" for "qualifying rural community as determined by the board."

**Amendments.** The 2007 amendment

## 6-81-707. Maximum amount of loans.

(a) The maximum amount of each rural practice loan for medical students shall not exceed sixteen thousand five hundred dollars (\$16,500) per academic year or those costs that are reasonable and necessary for the student's attendance as determined by the Arkansas Rural Medical Practice Student Loan and Scholarship Board.

(b)(1) The maximum amount of each community match income incentive shall not exceed eighty thousand dollars (\$80,000) or as the board otherwise shall determine payable under § 6-81-716.

(2) The Arkansas Rural Medical Practice Student Loan and Scholarship Board shall provide one-half (½) of the community match income incentive, and the qualified rural community shall provide the other one-half (½) of the income incentive.

(3) However, if the board does not have sufficient funds to match the community's portion of the income incentive, nothing precludes a qualified rural community from providing the total income incentive amount.

**History.** Acts 1949, No. 131, § 7; 1971, No. 133, § 6; 1971, No. 533, § 6; 1981, No. 47, § 1; A.S.A. 1947, § 80-2914; Acts 1989, No. 22, § 1; 2007, No. 1058, § 2; 2009, No. 708, § 3.

**Amendments.** The 2007 amendment deleted "Medical students" preceding "Maximum" in the section heading; added the (a) designation; in (a), inserted "for

medical students" and substituted "sixteen thousand five hundred dollars (\$16,500)" for "twelve thousand dollars (\$12,000)"; added (b); and made related changes.

The 2009 amendment, in (b), substituted "income incentive" for "loan" throughout the subsection, and made a minor stylistic change in (b)(3).

**6-81-708. Loan contracts — Rural Medical Practice Loans — Obligations and conditions.**

(a) The Arkansas Rural Medical Practice Student Loan and Scholarship Board shall enter into a loan contract with the applicant to whom a rural medical practice loan is made.

(b) The contract shall be approved by the Attorney General and shall be signed by the chair of the board, countersigned by the secretary of the board, and signed by the applicant.

(c) Each applicant to whom a rural medical practice loan or loans shall be granted by the board shall execute a written loan contract that shall incorporate the following obligations and conditions:

(1)(A) The recipient of a rural medical practice loan or loans shall bindingly contract that he or she shall practice primary care medicine or a designated specialty approved by the board full time in a qualified rural community upon completion of:

(i) His or her medical internship of one (1) year undertaken immediately following the earning of the degree of Doctor of Medicine;

(ii) Four (4) additional years of medical training beyond the internship if the training has been approved in advance by the board and includes practice experience in a rural community or, if approved by the board, he or she shall practice a designated specialty in a qualified rural community or communities; or

(iii) At the request of the recipient of a rural medical practice loan, the board may approve the recipient's request to practice in more than one (1) qualified rural community to meet his or her obligation to practice full time if the board determines, on guidelines established by the board, that the physician need in the rural communities cannot sustain a full-time medical practice or other compelling circumstances exist.

(B) The recipient of a rural medical practice loan or loans shall bindingly contract that for each year's loan he or she shall practice medicine in accordance with subdivision (c)(1)(A) of this section for a whole year.

(C) For each continuous whole year of medical practice, in accordance with subdivision (c)(1)(A) of this section, subject to reasonable leave periods, including without limitation, vacation, sick leave, continuing medical education, jury duty, funerals, holidays, or military service, the board shall cancel, by converting to a scholarship grant, the full amount of one (1) year's loan plus accrued interest;

(2)(A) The recipient of a rural medical practice loan or loans shall bindingly contract that not engaging in the practice of medicine in accordance with the loan contract and with this subchapter may result in suspension of his or her license to practice medicine in this state.

(B) For any contract entered into after August 1, 2007, the recipient's medical license may not be suspended unless the recipient's

contract contained a specific term that loss of license was a consequence of breach and the recipient signed a written acknowledgment of understanding that the suspension of license was explained to him or her orally as a potential consequence of breach of the contractual provisions.

(C) The suspension may be for a period of years equivalent to the number of years that the recipient is obligated to practice medicine in a rural area but has not so practiced and until the loan with interest together with any civil money penalties, as reduced by each full year of medical practice according to the terms of the loan contract, is paid in full;

(3) Any communication from the College of Medicine of the University of Arkansas for Medical Sciences with any state medical licensing board shall include a notation that the recipient of a rural medical practice loan has a contract with the State of Arkansas to practice medicine in a rural community and that breach of that contract may result in suspension of the recipient's Arkansas medical license;

(4)(A) In the event that any rural medical practice loan recipient under this subchapter does not engage in the practice of medicine in accordance with the terms of this section and of his or her loan contract in order to have the loan contract recognized as a scholarship, the recipient shall remain obligated to repay the loan or loans received, together with interest thereon at the maximum rate allowed by Arkansas law or the federal discount rate plus five percent (5%) per annum, whichever is the lesser, the interest to accrue from the date each payment of funds was received by the recipient.

(B) No interest shall accrue nor obligation to repay the principal sums accrued during any one (1) period of time that the recipient involuntarily serves on active duty in the United States armed forces.

(C) Repayment of principal with interest shall be due and payable in full at the earliest to occur of the following events:

(i) Failure to remain enrolled in a medically underserved and rural practice curriculum;

(ii) Failure to remain in enrollment status continuously to completion of the degree of doctor of medicine for any reason other than temporary personal illness;

(iii) Failure to complete internship;

(iv)(a) Failure to engage in the full-time practice of medicine while residing in a qualified rural community in Arkansas as defined in § 6-81-701.

(b) However, the board may waive the residency requirement on a case-by-case basis; and

(v) Failure to establish such a practice within six (6) months following either internship or four (4) additional years of medical education that includes practice experience in a rural community or a designated specialty in accordance with subsection (c)(1)(A) of this section beyond his or her internship when approved by the board.



(D) In the event of the death of the recipient, the entire loan amount that has not been converted to a scholarship grant pursuant to the terms of the loan contract shall be due and payable;

(5) If an alternate on the waiting list for acceptance to the College of Medicine of the University of Arkansas for Medical Sciences enters into a rural medical practice program contract conditioned only upon the applicant's being accepted for admission to the college and otherwise meets the requirements of § 6-81-706 and if the applicant is moved to the top of the waiting list under § 6-81-718, the alternate's contract shall contain an additional term that breach of the contract may result in civil money penalties in the amount of one hundred percent (100%) of the loan amount; and

(6) Nothing stated in this subsection (c) shall be construed to prohibit the board from considering and entering into a negotiated settlement with the rural medical practice loan recipient involving the license suspension, the amount of the civil money penalty, and the terms of repayment of the loan.

(d) The board may amend agreements entered into with any loan recipient at any time prior to full performance of the recipient's contractual obligations.

(e)(1) A rural medical practice loan recipient may apply to the Dean of the College of Medicine of the University of Arkansas for Medical Sciences for a waiver of the contractual provisions set forth in subdivision (c)(2) of this section.

(2)(A) If the dean as chair of the board determines that exigent circumstances warrant a waiver, the loan recipient shall be notified in writing.

(B) The dean shall immediately notify the Arkansas State Medical Board of such determination.

**History.** Acts 1949, No. 131, §§ 8, 9; 1955, No. 69, § 2; 1963, No. 181, § 1; 1971, No. 133, § 7; 1971, No. 533, § 7; 1972 (Ex. Sess.), No. 62, § 1; 1981, No. 47, § 2; 1983, No. 649, § 1; 1985, No. 797, § 1; A.S.A. 1947, §§ 80-2915, 80-2916; Acts 1987, No. 151, §§ 3, 4; 1989, No. 22, § 2; 1991, No. 359, § 1; 1995, No. 1114, § 4; 1995, No. 1257, § 2; 2003, No. 676, §§ 2, 3; 2007, No. 1058, § 2; 2009, No. 708, § 4.

**Amendments.** The 2007 amendment, in the section heading, deleted "Medical students" preceding "Loan" and inserted "Rural Medical Practice Loans"; deleted former (c); redesignated former (d) as present (c); deleted "after May 1, 1991" following "board" in present (c); substituted "primary care medicine, or a designated specialty approved by the board, full time in a qualified rural" for "medicine full time in a rural" in (c)(1)(A); added "or,

if approved . . . community or communities" in (c)(1)(A)(ii); added (c)(1)(A)(iii); in (c)(1)(B) and (c)(1)(C), substituted "(c)(1)(A)" for "(d)(1)(A)" and deleted "calendar" following "whole"; inserted "subject to reasonable . . . or military service" in (c)(1)(C); substituted "subchapter may result in" for "section shall result in automatic" in (c)(2)(A); added (c)(2)(B); redesignated former (c)(2)(B) as present (c)(2)(C); substituted "but has not so . . . contract, is paid in full" for "and the suspension shall continue until the loan, with interest thereon, is paid in full" in (c)(2)(C); substituted "may result in" for "will result in automatic" in (c)(3); substituted "to engage in the full-time practice of medicine while residing in a qualified rural" for "to practice medicine on a regularly sustained basis while residing in a rural" in (c)(4)(C)(iv)(a); substituted "However" for "Provided, however" in

(c)(4)(C)(iv)(b); inserted “or a designated specialty in accordance with subsection (c)(1)(A) of this section” in (c)(4)(C)(v); substituted “the entire loan . . . the loan contract” for “all loans unpaid” in (c)(4)(D); added (c)(6) and (c)(7) and redesignated the remaining subsections accordingly; rewrote (d); substituted “(c)(2)” for “(d)(2)” in (e)(1); in (e)(2)(A), substituted

“determines” for “and the Director of the Department of Health agree” and deleted “that his or her license to practice medicine shall be automatically reinstated” following “writing”; and deleted “and the director” following “dean” in (e)(2)(B); and made related and stylistic changes.

The 2009 amendment substituted “secretary of the board” for “vice chair” in (b).

### 6-81-709. [Repealed.]

**Publisher’s Notes.** This section, concerning medical students; disability of minority, is repealed by Acts 2007, No. 1058,

§ 3. The section is derived from Acts 1949, No. 131, § 10; A.S.A. 1947, § 80-2917.

### 6-81-710. Funding of loans.

(a)(1) All payments for rural practice loans and community match loans under this subchapter shall be made on requisitions signed by the Chair of the Arkansas Rural Medical Practice Student Loan and Scholarship Board drawn against the funds held for the purpose of this subchapter.

(2) These funds, consisting of state appropriations so designated, revolving amounts received from repayment of loans and interest, and all funds and property and income therefrom received by the board under its authority to accept and apply gifts, bequests, and devises shall be held in trust and disbursed by the fiscal officers of the University of Arkansas for Medical Sciences for the aforesaid purposes.

(b) Funds collected as a result of a recipient’s breach of a rural practice loan contract or community match loan contract shall be held in trust for the use of the Arkansas Rural Medical Practice Student Loan and Scholarship Program and the Community Match Loan and Rural Physician Recruitment Program, or as otherwise deemed appropriate by the board in its discretion, and disbursed by the fiscal officer of the University of Arkansas for Medical Sciences under this subchapter.

**History.** Acts 1949, No. 131, § 11; 1971, No. 133, § 8; 1971, No. 533, § 8; A.S.A. 1947, § 80-2918; Acts 1995, No. 1114, § 5; 2007, No. 1058, § 4.

**Amendments.** The 2007 amendment deleted “Medical students” preceding “Funding” in the section heading; inserted “rural practice loans and community

match” in (a)(1); in (b), substituted “Funds collected as . . . match loan contract” for “When collected, damages awarded pursuant to §§ 6-81-716 – 6-81-718,” inserted “or as otherwise deemed appropriate by the board in its discretion” and substituted “under” for “pursuant to”; and made minor related stylistic changes.

### 6-81-714. Dispute resolution — Determination of breach.

(a) Any applicant for a loan or income incentive issued by the Arkansas Rural Medical Practice Student Loan and Scholarship Board, any person who has been granted a loan or has been granted income incentives by the board, or any party to a rural medical practice or

community match loan or income incentive may appeal any decision or action by the board relating to the application for a loan or income incentive or relating to a loan or income incentive granted by the board under the dispute resolution procedure established under this subchapter.

(b)(1) The board, under § 6-81-702(b)(1), shall promulgate rules establishing a procedure that may be used by a loan or income incentive recipient, the board, or a qualified rural community to resolve any dispute arising out of or relating to a rural practice or community match loan or income incentive contract, including the validity or interpretation of a contract term, contract enforcement or defenses, the occurrence of an event of default or breach, loan repayment, the assessment or imposition of contract damages or civil money penalties, or other related disputes.

(2) The rules may provide for alternative dispute resolution, such as mediation, as appropriate.

(3) The dispute resolution procedure established by the board shall be followed before the initiation of any litigation related to a rural practice or community match loan or income incentive contract.

(c) Nothing in this subchapter shall prohibit informal disposition by stipulation, settlement, or consent.

**History.** Acts 1989, No. 823, § 2; 2007, No. 1058, § 4; 2009, No. 708, § 5.

**Amendments.** The 2007 amendment rewrote the section heading; added the (a) designation; in (a), deleted “and” preceding “any person”, inserted “or any party to a rural medical practice or community match loan,” inserted “by the board” and “pursuant to the dispute resolution procedure

established under this subchapter,” and deleted the former second sentence; and added (b) and (c).

The 2009 amendment inserted “or income incentive” following “loan” throughout the section; and in (a), inserted “or has been granted income incentives” following “has been granted a loan,” and made a minor stylistic change.

## **6-81-715. Medical school graduates — Community match contract — Eligibility for community match loans.**

(a)(1) The Arkansas Rural Medical Practice Student Loan and Scholarship Board shall administer the Community Match Loan and Rural Physician Recruitment Program.

(2)(A) Interested rural communities may apply to the board to participate in the program as a qualified rural community.

(B) The board shall approve a designated representative or representatives of the qualified rural community to assist the board in matters relating to any community match contracts entered into by the board and the qualified rural community.

(b) The board, in conjunction with a qualified rural community, may grant community match income incentives to applicants, each incentive being expressly made subject to § 6-81-716, if it finds that:

(1) The applicant is a graduate of the College of Medicine of the University of Arkansas for Medical Sciences or any accredited medical school in the United States;



(2) The applicant satisfies one (1) of the following criteria:

(A) He or she is enrolled in a residency or other training program in an area of primary care medicine or, upon approval of the board, in a designated specialty; or

(B) No more than two (2) years before the date of the application, he or she completed a residency or other training program in an area of primary care medicine or, upon approval of the board, in a designated specialty;

(3) The applicant desires to practice medicine in the qualified rural community; and

(4) The designated representative or representatives of the qualified rural community approve the applicant.

**History.** Acts 1995, No. 1114, § 6; 2007, No. 1058, § 6; 2009, No. 708, § 5.

**Amendments.** The 2007 amendment, in the section heading, substituted “school graduates” for “students” and “community match loans” for “initial and renewal loans”; substituted “Rural Physician Recruitment” for “Scholarship” in (a)(1); in (b)(2), substituted “is a graduate of” for “has been accepted for admission to or is enrolled in good standing in” and “or any accredited medical school in the United States” for “in studies leading to the degree of Doctor of Medicine”; substituted “satisfies one (1) of the following criteria” for “is enrolled in a medically underserved

and rural practice curriculum” in (b)(3); added (b)(3)(A) and (b)(3)(B); deleted “primary care” following “practice” in (b)(4); deleted former (b)(5) and redesignated former (b)(6) as present (b)(5); deleted former (c); and made related changes.

The 2009 amendment, in (b), substituted “grant community match income incentives to applicants, each incentive” for “make community match loans to applicants, each loan” in the introductory language, deleted (b)(1) and redesignated the subsequent subdivisions accordingly, and made a minor stylistic change in (b)(1)(B).

### **6-81-716. Medical school graduates — Community match contract — Obligations and conditions.**

(a)(1)(A) The board and the qualified rural community shall enter a joint community match contract with the applicant.

(B) Any agreements made between the qualified rural community and a recipient regarding the community match contract, including establishing a medical practice in the community, shall be in writing and included as an addendum to the contract.

(2) The form of the community match contract shall be approved by the Attorney General and shall be signed by the chair of the board, the secretary of the board, the designated representative or representatives of the qualified rural community, and the applicant.

(b) Each applicant to whom a community match income incentive is granted by the board shall execute a written contract that shall incorporate the following obligations and conditions:

(1)(A) The recipient of a community match income incentive shall bindingly contract that he or she shall practice primary care medicine full time in the contracting qualified rural community for a period of four (4) years or, if approved by the board, he or she shall practice a designated specialty full time in the contracting qualified rural community for a period of four (4) years.

(B)(i) The recipient shall receive the income incentive funds according to a disbursement schedule acceptable to the board, the qualified rural community, and the recipient as set forth in writing in the community match contract.

(ii) For each three-month period of full-time medical practice by the recipient, according to the terms of the community match contract, the board and the qualified rural community shall award one-quarter ( $\frac{1}{4}$ ) of the income incentive for the year of service;

(2)(A) If any recipient does not begin or ceases the full-time practice of medicine in breach of the contract or otherwise breaches the loan contract, the recipient shall repay all unearned income paid under the terms of the contract, any actual costs paid by the community in reliance for the income-incentive-recipient's agreement to practice full time in that community, and any civil money penalties that apply.

(B) The board may impose civil money penalties of up to fifty percent (50%) of the principal amount of the income incentive paid under the terms of the community match contract as a consequence of breach;

(3) No interest shall accrue, nor obligation to repay the principal sums accrued, during any one (1) period of time that the recipient involuntarily serves on active duty in the United States armed forces; and

(4) In the event of the death of the recipient, any unearned income paid under the terms of the community match contract is due and payable.

(c) Subsection (b) of this section does not prohibit the board from considering and entering into a negotiated settlement with the income incentive recipient involving the terms of repayment of amounts paid under the terms of the community match contract.

(d) Community match loan contracts may be amended at any time before the income incentive has been paid in full or terms and conditions of the contract are satisfied.

(e) The board shall promulgate rules setting forth additional terms and conditions of community match contracts.

**History.** Acts 1995, No. 1114, § 6; 2003, No. 676, § 4; 2005, No. 1682, § 1; 2007, No. 1058, § 6; 2009, No. 708, § 5.

**Amendments.** The 2007 amendment substituted "school graduates" for "students" in the section heading; and rewrote the section.

The 2009 amendment substituted "community match contract" for "loan contract" and "income incentive" for "loan" throughout the section; substituted "secretary" for

"vice-chair" in (a)(2); in (b), deleted "loan" following "written" in the introductory language, substituted "award one-quarter ( $\frac{1}{4}$ ) of the income incentive for the year of service" for "cancel, by converting to a grant, a pro rata portion of the loan amount plus accrued interest" in (b)(1)(B)(ii), rewrote (b)(2)(A), (b)(2)(B), (b)(4), (c) and (d); and made minor stylistic changes.

**6-81-717. [Repealed.]**

**Publisher's Notes.** This section, concerning medical school alternates; community match loan, was repealed by Acts

2007, No. 1058, § 7. The section was derived from Acts 1995, No. 1114, § 6.

**6-81-718. Medical school alternates — Rural medical practice loans.**

(a)(1) If an alternate on the waiting list for acceptance to the College of Medicine of the University of Arkansas for Medical Sciences demonstrates a willingness to enter into a rural medical practice loan contract and meets the requirements of § 6-81-706, the applicant shall be moved to the top of the waiting list upon entering into a rural medical practice loan contract.

(2) The priority on the waiting list for those alternates who enter into a rural medical practice loan contract shall be determined by the date and time such alternate enters into the rural medical practice loan contract.

(b) The college shall meet the requirements set forth at § 6-64-406 for allocation of enrollment positions for medical students among congressional districts before accepting for admission an alternate who has entered into a rural medical practice loan contract with the Arkansas Rural Medical Practice Student Loan and Scholarship Board.

**History.** Acts 1995, No. 1114, § 6; 2007, No. 1058, § 8.

**Amendments.** The 2007 amendment redesignated former (a)(1)(A) and (a)(1)(B) as present (a)(1) and (a)(2); de-

leted "to a position just below alternates entering into community match contracts" following "list" in (a)(1); deleted former (a)(2); and deleted former (c).

**6-81-720. Rural Medical Practice Student Loan and Scholarship Program administrator.**

(a) There is established a Rural Medical Practice Student Loan and Scholarship Program administrator.

(b) The administrator shall:

(1) Be employed by the University of Arkansas for Medical Sciences;

(2) Serve as liaison between loan recipients and rural communities

by:

(A) Working with the communities to identify their unique needs, to develop profiles of their ideal candidates, and to prepare for recruitment visits; and

(B) Assisting medical students and residents to identify medically underserved and other rural communities that suit their personal and medical practice needs and to meet their contractual obligations;

(3) Collect and monitor program data, including demographic data of participants and communities, service completion rates, retention rates beyond service completion, satisfaction of obligated physicians and communities, and other information;



- (4) Prepare annual program evaluations and present the evaluations to the board;
- (5) Assist with preparation and submission of program reports;
- (6) Attend board meetings in a nonvoting capacity; and
- (7) Perform other functions assigned by the board.

**History.** Acts 2007, No. 1058, § 9.

### **6-81-721. Noninterference with pending litigation.**

Nothing in this subchapter is intended to affect pending litigation existing as of April 4, 2007.

**History.** Acts 2007, No. 1058, § 9.

### **6-81-722. Sunset clause.**

(a) Loan recipients enrolled in the community match program on or before the day before April 4, 2007, shall not have their loan contracts impaired by the amendments to the community match program.

(b)(1) Subject to the availability of funds, the loan for the academic year shall be renewable annually for the number of years required to complete studies leading to the Doctor of Medicine degree or for additional amounts not to exceed sixteen thousand five hundred dollars (\$16,500).

(2) However, all subsequent loans shall be granted only upon application by the recipient and a finding by the board that the applicant:

(A) Has completed successfully the medical studies of the preceding academic year and remains in good standing as an enrolled student in the college;

(B) Is enrolled or participating in a medically underserved and rural practice curriculum; and

(C) Continues to be a resident of Arkansas.

(c) This section expires on August 31, 2014.

**History.** Acts 2007, No. 1058, § 9.

## **SUBCHAPTER 11 — FINANCING POSTSECONDARY OUT-OF-STATE EDUCATION**

### **SECTION.**

6-81-1105. Veterinary medicine loans.

6-81-1106. Student loan repayment.

### **6-81-1103. Repayment of out-of-state tuition paid by the State of Arkansas.**

#### **RESEARCH REFERENCES**

**U. Ark. Little Rock L. Rev.** Survey of for Students, 26 U. Ark. Little Rock L. Legislation, 2003 Arkansas General Assembly, Education Law, Loan Programs Rev. 379.

**6-81-1105. Veterinary medicine loans.**

(a) As used in this section:

(1) "Food animal" means bovine, porcine, ovine, camelid, cervid, poultry, and any other species determined by the Arkansas State Veterinarian;

(2) "Food supply veterinary medicine" means all aspects of veterinary medicine's involvement in food supply systems, from traditional agricultural production to consumption;

(3) "Loan repayment" means a payment made to a recipient upon completion of yearly requirements;

(4) "Participating institution" means the Mississippi State University College of Veterinary Medicine;

(5) "Practice of food supply veterinary medicine" means a corporate or private veterinary practice with a minimum of thirty percent (30%) of the practice devoted to food animal medicine or mixed animal medicine located in rural areas; and

(6) "Qualified recipient" means a student who:

(A) Is a resident of the State of Arkansas;

(B) Has completed a veterinarian medicine degree program at a participating institution;

(C) Is licensed to practice veterinary medicine in Arkansas; and

(D) Has been certified under § 6-4-106 by the Department of Higher Education as qualified to participate in the loan repayment program authorized by this section and consistent with § 6-4-106.

(b) The department shall institute a loan repayment program to:

(1) Benefit Arkansas residents; and

(2) Assist with the repayment of federal student loans for students that attended a participating institution and completed the requirements for loan repayment.

(c)(1) The department shall administer the program.

(2)(A) The department shall adopt rules to implement this section and address the terms and conditions of loan repayments made under this section.

(B) The terms of the loan repayment shall include without limitation:

(i) A requirement to practice food supply veterinary medicine for five (5) consecutive years; and

(ii) Conditions for loan repayment under § 6-81-1106.

(C) The loan repayment amount shall not exceed the amount of tuition assistance provided under the Southern Regional Education Compact program.

(d) The department shall:

(1) Allocate the number of qualified recipients to receive loan repayment based on the amount of funds appropriated;

(2) Determine the necessary procedures for awarding the loan repayments if the number of eligible applicants and recipients exceeds the funding available; and

(3)(A) Distribute loan repayments according to the allocations made by the department.

(B) The department shall not be obligated to make a loan repayment unless funds are appropriated.

**History.** Acts 2011, No. 881, § 1.

### **6-81-1106. Student loan repayment.**

(a) As used in this section:

(1) "Food animal" means bovine, porcine, ovine, camelid, cervid, poultry, and any other species determined by the Arkansas State Veterinarian;

(2) "Food supply veterinary medicine" means all aspects of veterinary medicine's involvement in food supply systems, from traditional agricultural production to consumption; and

(3) "Practice of food supply veterinary medicine" means a corporate or private veterinary practice with a minimum of thirty percent (30%) of the practice devoted to food animal medicine or mixed animal medicine located in rural areas.

(b) The Department of Higher Education shall repay federal student loans yearly for a maximum of five (5) consecutive years if the recipient:

(1) Practices food supply veterinary medicine in Arkansas within ninety (90) days after completion of:

(A) The professional degree program for which the loan was made;

(B) An internship program; or

(C) The professional degree program for which the loan was made and an internship program; and

(2) Maintains the practice of food supply veterinary medicine in Arkansas for a minimum of one (1) year for each year of loan repayment up to five (5) years with all five (5) years consecutive.

(c) A recipient that fails to satisfy the obligation to engage in the practice of food supply veterinary medicine for one (1) year in a five (5) consecutive year period shall not receive the loan repayment amount.

(d) The obligation to engage in the practice of food supply veterinary medicine for a five (5) consecutive year period shall be postponed during any:

(1) Period of temporary medical disability if the recipient is unable to practice veterinary medicine;

(2) Period of military service under § 6-61-112; or

(3) Other period of postponement agreed to by the department.

(e) The department shall adopt rules to administer this section.

**History.** Acts 2011, No. 881, § 1.



## SUBCHAPTER 12 — GRADUATE NURSING PRACTICE AND NURSE EDUCATOR STUDENT LOANS AND SCHOLARSHIPS

## SECTION.

6-81-1201. Definitions.

6-81-1202. Graduate Nurse Educator  
Loan and Scholarship  
Board.6-81-1203. Graduate nursing students —  
Eligibility for rural ad-  
vanced nursing practice  
and nurse educator loans.

## SECTION.

6-81-1204. Graduate nursing students —  
Rural advanced nursing  
practice or nurse educator  
loan contracts — Obliga-  
tions and conditions.

### 6-81-1201. Definitions.

As used in this subchapter:

(1)(A) "Advanced nursing practice" means advanced nursing care provided in one (1) of the following areas of practice:

- (i) Family practice nursing;
- (ii) Pediatric nursing;
- (iii) Women's health nursing;
- (iv) Nurse midwifery;
- (v) Gerontology nursing;
- (vi) Adult nursing;
- (vii) Nurse anesthesia;
- (viii) Nursing administration;
- (ix) Psychiatric or mental health nursing;
- (x) Acute care nursing;
- (xi) Community or public health nursing; or
- (xii) Nursing education.

(B)(i) "Advanced nursing practice" occurs in the context of practice by a registered nurse who has:

- (a) Completed a master's or doctoral nursing education program;
- (b) Met the requirements for:
  - (1) National certification;
  - (2) Teaching in an Arkansas-accredited school of nursing; and
  - (3) Serving as a nurse administrator in an Arkansas complex health care agency.

(ii) "Advanced practice nursing" includes the roles of:

- (a) Clinical nurse specialist;
- (b) Nurse practitioner;
- (c) Nurse administrator;
- (d) Nurse educator;
- (e) Nurse midwife; and
- (f) Nurse anesthetist;

(2) "Arkansas school of nursing" means any school or school's department of nursing located in Arkansas;

(3) "Board" means the Graduate Nurse Educator Loan and Scholarship Board;

(4) "Complex Arkansas health care agency" means any hospital, long-term care facility, large hospital-based clinic, large medical practice, or the Department of Health;

(5) "Department of Health" means the Department of Health and any of Arkansas' public health units;

(6) "Master's or doctoral nursing education program" means Arkansas nursing education programs located in an Arkansas public or private institution of higher education that has a master's nursing program accredited by a recognized national nursing accreditation organization or a Doctor of Philosophy in nursing program accredited by the North Central Association of Colleges and Schools;

(7) "Nurse administrator" means a student enrolled in an Arkansas master's nursing education program or doctoral program who will serve as a nurse administrator in an Arkansas health care agency, including, but not limited to:

(A) A hospital;

(B) A long-term care facility;

(C) A large hospital-owned clinic; or

(D) A large medical clinic;

(8) "Nurse educator" means a student enrolled in an Arkansas master's nursing education program or doctoral nursing education program who will prepare to teach nursing in an Arkansas school of nursing; and

(9) "Rural community" means a community within a health professions shortage area, as determined by the board, or a community having a population of no more than fifteen thousand (15,000) persons according to the most recent federal census taken prior to the execution of the loan contract or the most recent federal census taken prior to the time the recipient of the loan or loans shall be required to practice full time in such a community as provided in §§ 6-81-1204 and 6-81-1206 [repealed].

**History.** Acts 1995, No. 911, § 1; 1999, No. 1311, § 1; 2001, No. 787, § 1; 2005, No. 1468, § 1.

## **6-81-1202. Graduate Nurse Educator Loan and Scholarship Board.**

(a) There is established the Graduate Nurse Educator Loan and Scholarship Board composed of:

(1) The dean, chair, or director of each of the accredited graduate nursing programs in the state that offers a nurse practitioner/clinical nurse specialist, nurse midwife, nurse anesthetist, or nursing administration graduate preparation or preparation for nurse educators at the master's or doctoral levels;

(2) The President of the Council of Nurse Administrators of Nursing Education Programs in Arkansas;

(3) The President of the Arkansas State Board of Nursing or the president's designee;

(4) The Director of the Department of Health or the director's designee; and

(5) One (1) consumer, to be appointed by the Governor.

(b) The board shall:

(1) Promulgate reasonable rules and regulations as may be necessary to execute the provisions of this subchapter, including regulations addressing:

(A) The requirements for ensuring a pool of advanced nursing practitioners to serve the state with a priority on health professions shortage areas;

(B) The requirements for an Arkansas school of nursing;

(C) The requirements for a community having a population of no more than fifteen thousand (15,000) persons according to the most recent census;

(D) The requirements of the Department of Health;

(E) The establishment of a minimum scholastic standing which a baccalaureate or master's nursing graduate must have achieved and the academic or scholastic standing a student must maintain in an accredited school of nursing in this state as a condition of receiving scholarship funds or financial aid under the provisions of § 6-81-1208 [repealed];

(F) The establishment of standards for a determination of the financial needs of the applicant for scholarship funds or financial aid under § 6-81-1208 [repealed], including the ability of the applicant or the spouse or the parents or guardian of the applicant to furnish a part of the funds necessary to pay the expenses of the applicant while attending a school of nursing; and

(G) All matters relating directly to the agreement for providing these scholarship funds or financial aid, including the terms and conditions of providing financial aid to the student and relating to the obligation of the recipient of financial aid to engage in the nursing profession in a rural community or as a nurse educator in an Arkansas school of nursing;

(2) Prescribe forms for and regulate the submission of applications for financial assistance;

(3) Determine eligibility of applicants;

(4) Allow or disallow applications for financial assistance;

(5) Contract, increase, decrease, terminate, and otherwise regulate all grants for this purpose and receipt for their repayment and convert loans to scholarships;

(6) Manage, operate, and control all funds and property appropriated or otherwise contributed for this purpose;

(7) Accept gifts, grants, and bequests or devises and apply them as a part of this program;

(8) Sue and be sued as the board; and

(9) Accept moneys from federal programs which may be used for furtherance of the purposes of this subchapter.



(c) The members of the board may receive expense reimbursement in accordance with § 25-16-901 et seq.

**History.** Acts 1995, No. 911, § 1; 1997, No. 250, § 41; 1999, No. 1311, § 2; 2001, No. 787, § 2; 2005, No. 1468, § 2.

**6-81-1203. Graduate nursing students — Eligibility for rural advanced nursing practice and nurse educator loans.**

(a) The Graduate Nurse Educator Loan and Scholarship Board may make advanced nursing practice or nurse educator loans to an applicant, each advanced nursing practice or nurse educator loan being expressly made subject to the provisions of § 6-81-1204 if it finds that:

(1) The applicant is a bona fide resident of Arkansas;

(2) The applicant has been accepted for admission to or is enrolled in good standing in an accredited master's nursing program or Doctor of Philosophy in Nursing program in the state leading to a graduate degree in nursing;

(3) The applicant is or will be a full-time or a part-time graduate student;

(4) The applicant needs financial assistance to complete his or her nursing studies;

(5) The applicant desires to practice advanced nursing practice in an Arkansas community or teach nursing in an Arkansas school of nursing; and

(6) The applicant is a person of good moral character and one who has the talent and capacity to profit by graduate nursing studies.

(b)(1) Subject to the availability of funds, an initial rural advanced nursing practice or nurse educator loan for one (1) academic year shall be renewable annually for the number of years required to complete studies leading to a master's in nursing or Doctor of Philosophy in Nursing degree, not to exceed the maximum amount specified in § 6-81-1204.

(2) All subsequent rural advanced nursing practice or nurse educator loans shall be granted only upon application by the recipient and a finding by the board that:

(A) The applicant has completed successfully the advanced nursing studies of the preceding academic year and remains in good standing as an enrolled student in an accredited master's program or a Doctor of Philosophy in Nursing program in the state;

(B) The applicant continues to be a resident of Arkansas; and

(C) The applicant's financial situation continues to warrant financial assistance made under the conditions of this section.

**History.** Acts 1995, No. 911, § 1; 1999, No. 1311, § 3; 2001, No. 787, § 3; 2005, No. 1468, § 3.

**6-81-1204. Graduate nursing students — Rural advanced nursing practice or nurse educator loan contracts — Obligations and conditions.**

(a)(1)(A) The maximum amount of each master's rural advanced nursing practice or nurse educator loan for full-time applicants shall not exceed eight thousand dollars (\$8,000) per academic year.

(B) The maximum amount of each Doctor of Philosophy in nursing loan for full-time applicants shall not exceed twenty thousand dollars (\$20,000) per academic year.

(C) Loans for part-time applicants shall be prorated as determined by the Graduate Nurse Educator Loan and Scholarship Board.

(2)(A) The maximum number of years a master's recipient may receive funding shall not exceed two (2) years or four (4) regular academic semesters of full-time enrollment or four (4) years or eight (8) regular academic semesters of part-time enrollment.

(B) The maximum number of years a doctoral recipient may receive funding shall not exceed four (4) years or eight (8) regular academic semesters of full-time enrollment or six (6) years or twelve (12) regular academic semesters of part-time enrollment.

(b)(1) The board shall enter a loan contract with the applicant to whom a rural advanced nursing practice or nurse educator loan is made.

(2) The rural advanced nursing practice or nurse educator loan contract shall be approved by the Attorney General and shall be signed by the chair of the board and the applicant.

(c) Each applicant to whom an advanced nursing practice or nurse educator loan or loans is granted by the board shall execute a written loan contract which shall incorporate the following obligations and conditions:

(1)(A)(i) The recipient of an advanced nursing practice or nurse educator loan or loans shall bindingly contract that, upon completion of his or her graduate degree in nursing and upon national certification as a nurse practitioner, nurse anesthetist, nurse midwife, clinical nurse specialist, or nursing supervisor in the case of recipients of advanced nursing practice loans, he or she shall practice as an advanced nursing practitioner full time in an Arkansas rural community or the Department of Health.

(ii) In the case of the nurse educator recipient, he or she shall teach full time during the academic year in an Arkansas school of nursing or as a nurse administrator or work as a nursing administrator in an Arkansas complex health care agency for one (1) year.

(B) For each continuous whole calendar year of advanced nursing or academic calendar year for teaching or calendar year for nursing administration in accordance with subdivision (c)(1)(A) of this section, the board shall cancel, by converting to a scholarship grant, the full amount of one (1) year's loan, plus accrued interest; and

(2)(A) In the event that any advanced nursing practice or nurse educator loan recipient under this subchapter does not engage in the

practice of advanced nursing practice, teach in an Arkansas school of nursing, or serve as a nursing administrator in an Arkansas complex health care agency in accordance with the terms of this section and of his or her loan contract in order to have the loan contract recognized as a scholarship, the recipient shall remain obligated to repay the loan or loans received together with interest thereon at the maximum rate allowed by Arkansas law or the federal discount rate plus five percent (5%) per annum, whichever is the lesser, the interest to accrue from the date each payment of funds was received by the recipient.

(B) No interest shall accrue nor obligation to repay the principal sums accrued during any period of time that the recipient involuntarily serves on active duty in the United States armed forces.

(C) Repayment of principal with interest shall be due and payable in full at the earliest to occur of the following events:

(i) Failure to remain enrolled continuously and in good academic standing to completion of a graduate nursing degree for any reason other than temporary personal illness;

(ii)(a) Failure to practice as an advanced nursing practitioner on a regularly sustained basis while residing in an Arkansas community or working in a department unit, as defined in § 6-81-1201, or failure to serve as a nursing faculty member in an Arkansas school of nursing or serve as a nursing administrator in an Arkansas complex health care agency.

(b) However, the board may waive the residency requirement on a case-by-case basis; or

(iii) Failure to establish an advanced nursing practice within six (6) months following graduation from an accredited graduate nursing program or within six (6) months after receiving national certification, whichever is later, or failure to assume a nurse faculty position in an Arkansas school of nursing or to assume a nursing administrator position in an Arkansas complex healthcare agency within six (6) months following graduation unless otherwise deferred by approval of the board.

(D) In the event of the death of the recipient, all loans unpaid shall be due and payable.

(d) The board may amend agreements entered into with any student who is currently enrolled as a graduate nursing student as approved by the board pursuant to this section.

**History.** Acts 1995, No. 911, § 1; 1999, No. 1311, § 4; 2001, No. 787, § 4; 2005, No. 1468, § 4.



## SUBCHAPTER 14 — NURSING STUDENT LOAN PROGRAM

### SECTION.

- 6-81-1401. Nursing Student Loan Program funding.
- 6-81-1403. Arkansas State Board of Nursing — Powers and duties.
- 6-81-1404. Eligibility and requirements for loans.
- 6-81-1405. Amount of loans — Maximum.

### SECTION.

- 6-81-1407. Renewal.
- 6-81-1409. Cancellation of principal and interest.
- 6-81-1410. Borrower's loss of good standing — Acceleration of due date.
- 6-81-1411. Repayment — Interest.
- 6-81-1412. Rules.

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**Effective Dates.** Acts 2009, No. 9, § 11: Feb. 3, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the state has a severe shortage of nurses and nurse educators, that for financial and other reasons the state often has difficulty retaining state-educated nurses and nurse educators after graduation for the state's workforce, and that this act is immediately necessary to provide financial incentives to increase the number of nurses and nurse educators in

the state for the protection of the public health, safety, and welfare. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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### 6-81-1401. Nursing Student Loan Program funding.

(a) Cash funds for the Nursing Student Loan Program shall consist of:

- (1) Funds appropriated for the Nursing Student Loan Program;
- (2) Federal funds;
- (3) Gifts;
- (4) Grants;
- (5) Bequests;
- (6) Devises;
- (7) Donations;
- (8) Moneys received to repay a loan under this subchapter;
- (9) Interest and other income accruing to or earned by the funds; and
- (10) All moneys provided by law.

(b) The Arkansas State Board of Nursing:

- (1) May invest the principal, interest, and income of the funds;
- (2) Shall use the funds for making loans for nursing scholarships;

and

(3) Shall deposit all loan repayments as a refund to expenditure to be used to make additional loans under this subchapter.

**History.** Acts 2003, No. 84, § 2; 2009, No. 9, § 1.

**Publisher's Notes.** Acts 2003, No. 84, § 2, is also codified at § 19-5-1222.

**Amendments.** The 2009 amendment rewrote the section.

### RESEARCH REFERENCES

**U. Ark. Little Rock L. Rev.** Survey of Legislation, 2003 Arkansas General Assembly, Education Law, Loan Programs for Students, 26 U. Ark. Little Rock L. Rev. 379.

## 6-81-1403. Arkansas State Board of Nursing — Powers and duties.

- (a) The Arkansas State Board of Nursing shall:
  - (1) Prescribe forms to be used in the Nursing Student Loan Program;
  - (2) Regulate the submission of applications for loans;
  - (3) Determine eligibility of applicants;
  - (4) Allow or disallow applications for financial assistance;
  - (5) Contract for, increase, decrease, terminate, and otherwise regulate all loans made under this subchapter and the repayment of these loans;
  - (6) Forgive loans and portions of loans as provided for; and
  - (7) Manage, operate, and control all funds and property appropriated or otherwise contributed for purposes of funding this program.
- (b) The board may:
  - (1) Accept gifts, grants, bequests, devises, donations, and any federal funds available for the program, to be used together with funds appropriated for the program for making loans under this subchapter; and
  - (2) Hire a qualified person or entity to administer any aspect of the program.

**History.** Acts 2003, No. 84, § 5; 2009, No. 9, § 2.

**Amendments.** The 2009 amendment, in (b), added (b)(2), designated the formerly undesignated text accordingly, and

substituted “the program” for “this purpose and to deposit any funds so received in the Nursing Student Loan Revolving Fund” in (b)(1); and made related and minor stylistic changes.

## 6-81-1404. Eligibility and requirements for loans.

(a) Any person who is enrolled in or has been accepted for admission to an approved school of nursing in this state or a nationally accredited school outside the state in a course of study leading to qualification as a registered nurse, licensed practical nurse, or nursing educator shall be eligible to make application to the Arkansas State Board of Nursing for a loan under this subchapter.

(b) The board may, depending upon available funds, make a loan to an applicant under this subchapter when it determines that the applicant:

(1) Is enrolled in or has been accepted for admission to an approved school of nursing in this state or a nationally accredited school outside

the state in studies leading to qualification as a registered nurse, licensed practical nurse, or nursing educator;

(2) Warrants financial assistance to complete his or her nursing studies;

(3) Has signed a written agreement to:

(A) Upon graduation and licensure and for the period of time specified by rule promulgated by the board:

(i) Teach in a nursing education program in the State of Arkansas; or

(ii) Engage in practice as a registered nurse or licensed practical nurse in the State of Arkansas; and

(B) Repay each loan with interest at the maximum legal rate if the applicant fails to fulfill the requirements of the board under this subchapter; and

(4) Is a lawful resident of the State of Arkansas.

**History.** Acts 2003, No. 84, § 6; 2009, No. 9, § 3.

**Amendments.** The 2009 amendment inserted "or nursing educator" in (a) and (b)(1); deleted "the provisions of" preced-

ing "this subchapter" in (a) and (b); substituted "Warrants" for "Is in need of" in (b)(2), rewrote (b)(3), and substituted "lawful resident" for "citizen" in (b)(4); and made related and minor stylistic changes.

### 6-81-1405. Amount of loans — Maximum.

(a) The Arkansas State Board of Nursing may make a loan to any applicant in an amount calculated to pay the applicant's tuition, maintenance, and other education expenses while he or she is enrolled in a program of nursing education as described in this subchapter.

(b) The total of the loans made to any one (1) student under this subchapter shall not exceed twenty thousand dollars (\$20,000).

**History.** Acts 2003, No. 84, § 8; 2009, No. 9, § 4.

**Amendments.** The 2009 amendment

substituted "twenty thousand dollars (\$20,000)" for "six thousand dollars (\$6,000)" in (b).

### 6-81-1407. Renewal.

(a) Subject to the availability of funds, each loan made to an applicant under this subchapter shall be renewable annually for the number of years required to complete studies leading to qualification as a registered nurse, licensed practical nurse, or nursing educator.

(b) Any loan made to an applicant subsequent to an initial loan shall be made only upon application of the recipient and upon finding by the Arkansas State Board of Nursing that the applicant:

(1) Has successfully completed the nursing studies of the preceding academic year and remains in good standing as an enrolled student in the appropriate school of nursing;

(2) Warrants financial assistance to complete his or her nursing studies;

(3) Has signed a written agreement to:



(A) Upon graduation and licensure and for the period of time specified by rule promulgated by the board:

(i) Teach in a nursing education program in the State of Arkansas; or

(ii) Engage in practice as a registered nurse or licensed practical nurse in the State of Arkansas; and

(B) Repay each loan with interest at the maximum legal rate if the applicant fails to fulfill the requirements of the board under this subchapter; and

(4) Continues to be a lawful resident of the State of Arkansas.

**History.** Acts 2003, No. 84, § 10; 2009, No. 9, § 5. wrote (b)(2) and (b)(3); inserted “lawful” in (b)(4); and made related and stylistic changes.

**Amendments.** The 2009 amendment added “or nursing educator” in (a); re-

### 6-81-1409. Cancellation of principal and interest.

Each loan contract shall include a provision that if the recipient completes his or her nursing education and qualification as a registered nurse, licensed practical nurse, or nursing educator, the Arkansas State Board of Nursing shall cancel the full amount of one (1) year’s loan, plus accrued interest, under this subchapter for each year that the recipient practices or teaches in this state.

**History.** Acts 2003, No. 84, § 11; 2009, No. 9, § 6. in this state” following “Board of Nursing shall”; added “for each year that the recipient practices or teaches in this state”; and made stylistic and minor punctuation changes.

**Amendments.** The 2009 amendment inserted “or nursing educator”; deleted “for each year that the recipient practices

### 6-81-1410. Borrower’s loss of good standing — Acceleration of due date.

If the recipient of a loan under this subchapter ceases to be enrolled in good standing in a recognized school of nursing before completing the education requirements to qualify as a registered nurse, licensed practical nurse, or nursing educator, the principal and interest of all loans made under this subchapter to the recipient shall become due and payable immediately or as provided in the loan agreement.

**History.** Acts 2003, No. 84, § 13; 2009, No. 9, § 7.

**Amendments.** The 2009 amendment rewrote the section.

### 6-81-1411. Repayment — Interest.

(a) A recipient of a loan under this subchapter shall repay each loan together with interest at the maximum rate allowed by Arkansas law if the recipient:

(1) Ceases to be enrolled in good standing in a recognized school of nursing before completing the education requirements to qualify as a registered nurse, licensed practical nurse, or nursing educator;

(2) For the period specified by rule of the Arkansas State Board of Nursing upon completion of the education requirements to qualify as a registered nurse, licensed practical nurse, or nursing educator does not:

(A) Teach in a nursing education program in the State of Arkansas;

or

(B) Engage in practice as a registered nurse or licensed practical nurse in the State of Arkansas; or

(3) Fails to comply with any other requirement of this subchapter.

(b) Interest shall accrue from the date each payment of funds was received by the recipient.

(c) No interest shall accrue and no obligation to repay a loan exists during any period of time that the recipient of the loan serves on active duty in the United States armed forces.

(d) If repayment of a loan is required, upon the death of the recipient of the loan all unpaid principal and interest is due and payable.

(e) The failure to repay a loan as specified in this section may be considered unprofessional conduct for disciplinary purposes.

**History.** Acts 2003, No. 84, § 12; 2009, No. 9, § 8.

**Amendments.** The 2009 amendment rewrote the section.

## 6-81-1412. Rules.

The Arkansas State Board of Nursing shall adopt reasonable rules consistent with this subchapter to effectively and efficiently carry out the purposes of this subchapter.

**History.** Acts 2003, No. 84, § 4; 2009, No. 9, § 9.

**Amendments.** The 2009 amendment substituted "consistent with this subchapter" for "and regulations not inconsistent

with this subchapter as it deems necessary", removed "and regulations" from the section heading, and made a minor stylistic change.

## SUBCHAPTER 15 — STATE TEACHER ASSISTANCE RESOURCE PROGRAM

### SECTION.

6-81-1501 — 6-81-1507. [Repealed.]

## 6-81-1501 — 6-81-1507. [Repealed.]

**Publisher's Notes.** This subchapter was repealed by Acts 2009, No. 1215, § 2. The subchapter was derived from the following sources:

6-81-1501. Acts 2003, No. 1804, § 2.

6-81-1502. Acts 2003, No. 1804, § 2; 2003 (2nd Ex. Sess.), No. 48, § 1.

6-81-1503. Acts 2003, No. 1804, § 2.

6-81-1504. Acts 2003, No. 1804, § 2; 2003 (2nd Ex. Sess.), No. 48, §§ 2, 3.

6-81-1505. Acts 2003, No. 1804, § 2; 2003 (2nd Ex. Sess.), No. 48, § 4.

6-81-1506. Acts 2003, No. 1804, § 2; 2003 (2nd Ex. Sess.), No. 48, § 5.

6-81-1507. Acts 2003, No. 1804, § 2.

SUBCHAPTER 16 — STATE TEACHER EDUCATION PROGRAM

SECTION.

6-81-1601. Title.

6-81-1602. Definitions.

6-81-1603. Purpose.

6-81-1604. Administration of the program.

SECTION.

6-81-1605. Eligibility.

6-81-1606. Duration — Amount.

6-81-1601. Title.

This subchapter shall be known as the “State Teacher Education Program”.

**History.** Acts 2009, No. 1215, § 3.

6-81-1602. Definitions.

As used in this subchapter:

(1) “Approved institution” means a state-supported institution of higher education, a nursing school, or a private nonprofit institution of higher education that:

(A) Maintains its primary headquarters in the state;

(B) Is eligible to receive Title IV federal student aid program funds; and

(C) Is approved by the Department of Higher Education as eligible to participate in the State Teacher Education Program;

(2) “Eligible student” means a student who:

(A) Meets the criteria set out in this subchapter; and

(B) Is found to be eligible by rules promulgated by the Department of Higher Education; and

(3) “Teacher education program” means a program administered by the Department of Higher Education that provides loan repayments to a licensed teacher who teaches in a subject area or a geographic area with teacher shortage as determined by the Department of Higher Education in consultation with the Department of Education.

**History.** Acts 2009, No. 1215, § 3.

6-81-1603. Purpose.

The purpose of the State Teacher Education Program is to improve the educational system in the state by encouraging students to teach in subject areas and geographic areas with teacher shortages.

**History.** Acts 2009, No. 1215, § 3.

6-81-1604. Administration of the program.

(a) The State Teacher Education Program shall be administered by the Department of Higher Education.



(b) The department shall adopt standards for awarding the loan repayments to a public school teacher with an Arkansas teacher's license teaching in a:

- (1) Subject area with a teacher shortage; or
- (2) Geographic area with teacher shortage.

(c) The requirements of this subchapter are contingent on the funding available for the program.

(d) The department may determine the necessary procedures for awarding the loan repayments if the number of eligible applicants and recipients exceeds available funding.

**History.** Acts 2009, No. 1215, § 3.

### **6-81-1605. Eligibility.**

To be eligible for the State Teacher Education Program an applicant shall:

(1) Teach full-time at a public school district in a subject area or geographic area with a teacher shortage, as identified by the Department of Higher Education in consultation with the Department of Education;

(2) Hold a valid Arkansas teacher's license; and

(3) Meet additional continuing eligibility criteria established by the Department of Higher Education.

**History.** Acts 2009, No. 1215, § 3.

### **6-81-1606. Duration — Amount.**

(a) The State Teacher Education Program shall be used to provide a loan repayment for federal student loans in the amount of:

(1) Three thousand dollars (\$3,000) per year for a maximum of three (3) years for a licensed teacher who graduated from a teacher education program after April 2004 and teaches in a public school in this state:

(A) In a subject area designated by the Department of Higher Education in consultation with the Department of Education as having a critical shortage of teachers; or

(B) Located in a geographical area of the state designated by the Department of Higher Education in consultation with the Department of Education as having a critical shortage of teachers; and

(2) An additional one thousand dollars (\$1,000) per year for a maximum of three (3) years for a licensed teacher who is a minority and who graduated from a teacher education program after April 2004 and teaches in a public school in this state.

(b) The Department of Higher Education may spend no more than fifty thousand dollars (\$50,000) annually for costs associated with the administration of the program.

(c) The Department of Higher Education shall promulgate rules necessary for the implementation of this subchapter.

**History.** Acts 2009, No. 1215, § 3.

CHAPTER 82

SCHOLARSHIPS

SUBCHAPTER.

1. GENERAL PROVISIONS.
2. STUDENT ASSISTANCE GRANT PROGRAM [REPEALED.]
3. ARKANSAS GOVERNOR’S SCHOLARS PROGRAM.
4. ARKANSAS HIGH TECHNOLOGY SCHOLARSHIP PROGRAM.
5. CHILDREN OF LAW ENFORCEMENT OFFICERS, ETC.
6. CHILDREN OF VETERANS, PRISONERS OF WAR, ETC.
10. ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM. [REPEALED.]
16. ARKANSAS WORKFORCE IMPROVEMENT GRANT PROGRAM.
17. HIGHER EDUCATION OPPORTUNITIES GRANT PROGRAM.

SUBCHAPTER 1 — GENERAL PROVISIONS

SECTION.

- 6-82-104. [Repealed.]
- 6-82-105. Administration — Authority of  
Department of Higher  
Education.

SECTION.

- 6-82-106. Scholarship awards.
- 6-82-107. Criminal history not a disquali-  
fier.

**Effective Dates.** Acts 2007, No. 1046, § 3: April 4, 2007. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that new scholarships under the Arkansas Governor’s scholarship program need to be awarded to students graduating in May of 2007; that the Department of Higher Education needs sufficient time to solicit and receive scholarship applications; and that this act is immediately necessary to ensure the proper adminis-

tration of the scholarship program. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

6-82-104. [Repealed.]

**Publisher’s Notes.** This section, concerning annual report, was repealed by Acts 2007, No. 1573, § 63. The section

was derived from Acts 2001, No. 1520, § 1.

6-82-105. Administration — Authority of Department of Higher Education.

The Department of Higher Education shall administer all state college financial assistance programs provided by legislation or by law and in so doing shall have the following authority and responsibility

with respect to state college financial assistance programs provided by legislation or by law to:

(1) Adopt such rules as the department shall deem necessary or appropriate to carry out the purposes of this subchapter;

(2) Establish and consult, as necessary, an advisory committee representing the private and public sectors of postsecondary education in determining guidelines and regulations for administration of the student financial aid programs, including, but not limited to, rules determining academic ability, financial need, and residency;

(3) Prepare application forms, parents' confidential financial statement forms, or any other forms as necessary to properly administer and carry out the purposes of this subchapter and to furnish the forms to persons desiring to make application for state financial aid;

(4) Consider all applications for state scholarships;

(5) Determine a termination date for the acceptance of applications;

(6) Require applicants to file additional information with the department as necessary and appropriate to carry out the purposes of this subchapter and to prevent fraud, misrepresentation, or misleading representation by applicants;

(7) Determine the necessary procedures for the awarding of grants should the number of eligible applicants exceed funds available;

(8) Disburse scholarship grants to qualified students through eligible postsecondary institutions;

(9) Approve or determine the eligibility of any state-supported institution of higher education to participate in or receive disbursements of financial aid on behalf of students awarded any state financial assistance provided by legislation or by law;

(10) Cooperate with and receive the cooperation of the approved private and public institutions of postsecondary education in the state and their governing bodies in the administration of the scholarship program;

(11) Employ or engage such professional, administrative, clerical, and other employees as may be necessary to assist the department in the performance of its duties and responsibilities; and

(12) Provide fair and equitable treatment to all approved institutions and students.

**History.** Acts 2005, No. 2142, § 2.

### **6-82-106. Scholarship awards.**

(a) The Department of Higher Education is authorized to award scholarships to students who are accepted to a Washington, D.C. public policy academic internship, as determined by the department, if funding is appropriated and available.

(b) The department may promulgate rules to administer this section.

**History.** Acts 2007, No. 1046, § 2.



## 6-82-107. Criminal history not a disqualifier.

A criminal conviction shall not be used as a basis to disqualify a person from eligibility for a scholarship, grant, loan forgiveness program, or other benefit subsidized by state funds under this chapter unless there is a specific statutory reason for denial that relates to the basis of assistance.

**History.** Acts 2011, No. 1151, § 1.

## SUBCHAPTER 2 — STUDENT ASSISTANCE GRANT PROGRAM

### SECTION.

6-82-201 — 6-82-213. [Repealed.]

## 6-82-201 — 6-82-213. [Repealed.]

**Publisher's Notes.** This subchapter was repealed by Acts 2005, No. 2142, § 1. The subchapter was derived from the following sources:

6-82-201. Acts 1977, No. 627, § 1; 1977, No. 659, § 1; A.S.A. 1947, § 80-5001.

6-82-202. Acts 1977, No. 627, § 2; 1977, No. 659, § 2; A.S.A. 1947, § 80-5002.

6-82-203. Acts 1977, No. 627, § 3; 1977, No. 659, § 3; A.S.A. 1947, § 80-5003.

6-82-204. Acts 1977, No. 627, § 7; 1977, No. 659, § 7; 1983 (Ex. Sess.), No. 50, § 2; A.S.A. 1947, § 80-5007.

6-82-205. Acts 1977, No. 627, §§ 4, 5; 1977, No. 659, §§ 4, 5; 1979, No. 682, § 1; 1979, No. 1048, § 1; A.S.A. 1947, §§ 80-5004, 80-5005.

6-82-206. Acts 1977, No. 627, § 6; 1977, No. 659, § 6; A.S.A. 1947, § 80-5006.

6-82-207. Acts 1977, No. 627, § 8; 1977, No. 659, § 8; 1979, No. 682, §§ 2, 3; 1979, No. 1048, §§ 2, 3; A.S.A. 1947, § 80-5008.

6-82-208. Acts 1977, No. 627, § 6; 1977, No. 659, § 6; 1983 (Ex. Sess.), No. 50, § 1; A.S.A. 1947, § 80-5006.

6-82-209. Acts 1977, No. 627, § 5; 1977, No. 659, § 5; A.S.A. 1947, § 80-5005.

6-82-210. Acts 1977, No. 627, § 5; 1977, No. 659, § 5; A.S.A. 1947, § 80-5005.

6-82-211. Acts 1977, No. 627, § 5; 1977, No. 659, § 5; A.S.A. 1947, § 80-5005.

6-82-212. Acts 1977, No. 627, § 5; 1977, No. 659, § 5; A.S.A. 1947, § 80-5005.

6-82-213. Acts 1989, No. 965, § 1.

## SUBCHAPTER 3 — ARKANSAS GOVERNOR'S SCHOLARS PROGRAM

### SECTION.

6-82-302. Definitions.

6-82-304. Administration — Authority of department.

6-82-306. Eligibility.

### SECTION.

6-82-308. Number and geographic distribution of scholarships.

6-82-311. Term, renewal, and allocation of scholarships.

**Effective Dates.** Acts 2005, No. 1241, § 2: Mar. 24, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that new scholarships under the Arkansas Governor's scholarship program need to be awarded to students graduating in May of 2005; that the Department of Higher Education needs sufficient time to solicit and receive scholarship applica-

tions; and that this act is immediately necessary to ensure the proper administration of the scholarship program. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the

expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2007, No. 1046, § 3: April 4, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that new scholarships under the Arkansas Governor's scholarship program need to be awarded to students graduating in May of 2007; that the Department of Higher Education needs sufficient time to solicit and receive scholarship applications; and that this act is immediately necessary to ensure the proper administration of the scholarship program. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor

and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1218, § 6: April 7, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that new scholarships under the Arkansas Governor's Scholars Program need to be awarded to students graduating high school in May of 2009; that the Department of Higher Education needs sufficient time to solicit and receive scholarship applications; and that this act is necessary for the proper administration of the Arkansas Governor's Scholars Program. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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## 6-82-302. Definitions.

As used in this subchapter, unless the context otherwise requires:

(1) "Academic ability" means the intellectual standing of a student. In determining superior academic ability, the Department of Higher Education shall examine the student's high school records, competitive examination scores, and demonstrated leadership capabilities;

(2) "Approved institution" means a public or private college or university:

(A) Which is dedicated to educational purposes, located in Arkansas, or located out of state and educating Arkansas residents in dentistry, optometry, veterinary medicine, podiatry, chiropractic, or osteopathy under agreement with the Board of Control for Southern Regional Education, accredited by an accrediting agency certified and recognized by the United States Department of Education or the Division of Agency Evaluation and Institutional Accreditation, or a school giving satisfactory assurance that it has the potential for accreditation and is making progress which, if continued, will result in its achieving accreditation;

(B) Which does not discriminate in the admission of students on the basis of race, color, religion, sex, or national origin; and

(C) Which subscribes to the principle of academic freedom;

(3) “Competitive examination” means a standardized examination measuring achievement which is administered annually on a specified date and at a specified location and which is announced publicly;

(4) “Department” means the Department of Higher Education;

(5) “Eligible student” means a resident of the State of Arkansas as defined by the Department of Higher Education who:

(A) Is eligible for admission as a full-time student;

(B) Declares an intent to matriculate in an approved institution in Arkansas; and

(C) Graduates from:

(i) A high school in this state, for Arkansas Governor’s Scholars; or

(ii) A high school, for Arkansas Governor’s Distinguished Scholars;

(6)(A) “Extraordinary academic ability” means:

(i) Achievement of a score of 32 or above on the American College Test (ACT) or 1410 or above on the Scholastic Aptitude Test (SAT); and

(ii)(a) For students graduating from high school after December 31, 2001, achievement of a high school grade point average of 3.5 or above on a 4.0 scale; or

(b) Selection as a finalist in either the National Merit Scholarship competition or the National Achievement Scholarship competition conducted by the National Merit Scholarship Corporation.

(B) For students graduating after December 31, 2001, the American College Test scores and Scholastic Aptitude Test scores shall be earned by December 31 prior to the application deadline in order for the scores to be considered by the department for a scholarship award;

(7) “Full-time student” means a resident of Arkansas who is in attendance at an approved private or public institution and who is enrolled in at least twelve (12) credit hours the first semester and fifteen (15) hours thereafter, or other reasonable academic equivalent as defined by the department;

(8) “Scholarship” means an award to an eligible student for matriculation in an approved institution in the State of Arkansas; and

(9) “Undergraduate student” means an individual who is enrolled in a postsecondary educational program which leads to or is directly creditable toward the individual’s first baccalaureate degree.

**History.** Acts 1983 (Ex. Sess.), No. 59, § 3; 1985, No. 176, § 1; A.S.A. 1947, § 80-5903; Acts 1997, No. 489, § 1; 1997, No. 1269, § 2; 2001, No. 1761, § 2; 2009, No. 1218, § 1.

**Amendments.** The 2009 amendment inserted (5)(C), subdivided and redesignated the existing text of (5), and made related changes.

#### **6-82-304. Administration — Authority of department.**

The Department of Higher Education shall administer the Arkansas Governor’s Scholars Program and shall have the following authority and responsibility with respect to the program to:



(1) Prepare application forms or such other forms as the department shall deem necessary to properly administer and carry out the purposes of this subchapter;

(2) Establish and consult as necessary with an advisory committee representing the public and private sectors of postsecondary education and secondary schools in determining guidelines and regulations for the administration of this program;

(3) Select recipients of scholarships awarded pursuant to the provisions of this subchapter;

(4) Establish the procedures for payment of scholarships to recipients;

(5) Set a termination date for the acceptance of applications;

(6) Review and evaluate the operation of the program with regard to eligibility criteria and size of the scholarship award to ensure that the program's operation meets the intent of this legislation; and

(7) Determine the necessary procedures for the awarding of scholarships if the number of eligible applicants exceeds the available funds or available awards.

**History.** Acts 1983 (Ex. Sess.), No. 59, § 6; A.S.A. 1947, § 80-5906; Acts 2001, No. 1761, § 3; 2009, No. 1218, § 2.

in (7), substituted "exceeds the available funds or available awards" for "exceed the funds available," and made a minor stylistic change.

**Amendments.** The 2009 amendment,

## 6-82-306. Eligibility.

(a) The Arkansas Governor's Scholars Program scholarships are to be awarded to those students who demonstrate the highest capabilities for successful college study.

(b) A student is eligible for this scholarship if he or she:

(1) Meets the admission requirements and is accepted for enrollment as a full-time undergraduate student in an eligible public or private college or university in Arkansas;

(2)(A) Is a bona fide resident of the state, as defined by the Department of Higher Education.

(B) Preference will be given to students who plan to enter college at the beginning of the academic year directly following their last year of high school attendance;

(3) Is a citizen of the United States or a permanent resident alien;

(4) Graduates from:

(A) A high school in this state, for Arkansas Governor's Scholars; or

(B) A high school, for Arkansas Governor's Distinguished Scholars;

(5)(A) Demonstrates proficiency in the application of knowledge and skills in reading and writing literacy and mathematics by passing the end-of-course examination as may be developed by the Department of Education and as may be designated by the Department of Higher Education for this purpose.

(B) "End-of-course" examination means those examinations defined in § 6-15-419; and

(6)(A) Satisfies the qualifications of superior academic ability as established by the Department of Higher Education with criteria consisting of value points for academic achievement and leadership, including without limitation:

- (i) American College Test (ACT) or Scholastic Aptitude Test (SAT) score, National Merit Finalist, or National Achievement Finalist;
- (ii) High school grade point average;
- (iii) Rank in high school class; and
- (iv) Leadership in school, community, and employment.

(B) The Department of Higher Education may alter the weight assigned to the individual criterion to more appropriately meet the needs of the state as determined by the Arkansas Higher Education Coordinating Board.

(c) The scholarship shall be weighed on the factors of achievement, ability, and demonstrated leadership capabilities.

(d) Students who are selected as Arkansas Governor's Scholars who also exhibit extraordinary academic ability as defined in this subchapter shall be designated as Arkansas Governor's Distinguished Scholars.

**History.** Acts 1983 (Ex. Sess.), No. 59, § 5; 1985, No. 176, § 2; A.S.A. 1947, § 80-5905; Acts 1997, No. 489, § 3; 1999, No. 1562, § 2; 2001, No. 1761, § 5; 2009, No. 1218, § 3.

**Amendments.** The 2009 amendment subdivided (b)(2), inserted (b)(4) and redesignated the subsequent subdivisions accordingly, and made minor stylistic changes.

## **6-82-308. Number and geographic distribution of scholarships.**

(a) If sufficient funds are available, effective for students receiving their initial awards beginning in fall 2007, the number of initial scholarship awards to eligible high achievers shall not exceed three hundred seventy-five (375) each year, to be distributed as follows:

(1) Up to three hundred (300) Arkansas Governor's Distinguished Scholarships; and

(2)(A) Seventy-five (75) Arkansas Governor's Scholarships at four thousand dollars (\$4,000) per year.

(B) The seventy-five (75) Arkansas Governor's Scholarships shall be awarded to one (1) student in each of the seventy-five (75) counties in Arkansas.

(b)(1) A report that demonstrates, based on economic projections and revenue forecasts, that sufficient funds are available to award scholarships to high achievers relative to the number of Arkansas Academic Challenge Scholarship recipients shall be submitted to the House Interim Committee on Education, the Senate Interim Committee on Education, and the Legislative Council for review prior to obligating the funds.

(2) Should a shortfall of funds be projected, the Department of Higher Education shall promulgate rules for the priority funding of these scholarships and submit these proposed rules to the Arkansas Higher Education Coordinating Board for a public hearing and to the

Subcommittee on Administrative Rules and Regulations of the Legislative Council for review before implementing the rules.

(3) If there are more eligible applicants than available scholarships, the department may determine a procedure for awarding additional scholarships while not exceeding available funds.

**History.** Acts 1983 (Ex. Sess.), No. 59, § 4; A.S.A. 1947, § 80-5904; Acts 1989, No. 951, § 1; 1997, No. 489, § 4; 2001, No. 1761, § 6; 2005, No. 1241, § 1; 2007, No. 1046, § 1; 2009, No. 1218, § 4.

**Amendments.** The 2007 amendment, in (a), substituted "2007" for "2005" and

"three hundred seventy-five (375)" for "three hundred twenty-five (325)" in the introductory paragraph, and substituted "three hundred (300)" for "two hundred fifty (250)" in (1); and rewrote (b).

The 2009 amendment added (b)(3).

### **6-82-311. Term, renewal, and allocation of scholarships.**

(a) An Arkansas Governor's Scholarship or Arkansas Governor's Distinguished Scholarship may be awarded annually for a period not to exceed an academic year.

(b)(1) A scholarship shall correspond to academic terms, semesters, quarters, or equivalent time periods at the eligible institutions.

(2) In no instance may the entire amount of the grant for an educational year be paid to or on behalf of students in advance.

(c) Provided sufficient funds are available, a scholarship shall be awarded for one (1) academic year and renewed annually for three (3) additional academic years if the following conditions for renewal are met:

(1) The student maintains not less than a 3.0 grade point average on a 4.0 scholastic grading scale;

(2) A student receiving the additional scholarship under § 6-82-312(b) maintains not less than a 3.25 grade point average on a 4.0 scholastic grading scale;

(3) The recipient has successfully completed a total of at least twenty-seven (27) hours during the first full academic year and, if applicable, a total of at least thirty (30) hours per academic year thereafter; and

(4) The recipient has met any other continuing eligibility criteria established by the Department of Higher Education.

**History.** Acts 1983 (Ex. Sess.), No. 59, §§ 4, 6; A.S.A. 1947, §§ 80-5904, 80-5906; Acts 1997, No. 489, § 5; 1999, No. 1562, § 3; 2001, No. 1761, § 7; 2007, No. 274, § 2; 2009, No. 1218, § 5.

**Amendments.** The 2007 amendment

deleted former (c)(4), redesignated former (c)(5) as present (c)(4) and made a related change.

The 2009 amendment inserted "successfully" in (c)(3).

## **SUBCHAPTER 4 — ARKANSAS HIGH TECHNOLOGY SCHOLARSHIP PROGRAM**

### **SECTION.**

6-82-401. Definitions.



**6-82-401. Definitions.**

As used in this subchapter, unless the context otherwise requires:

- (1) "Academic ability" means the intellectual standing of a student. In determining superior academic ability, the Department of Career Education shall examine the student's high school records, competitive examination scores, and demonstrated leadership capabilities;
- (2) "Approved high technology program" means a course of instruction in a highly technical field offered by any postsecondary educational institution which is approved by the department;
- (3) "Approved institution" means all postsecondary educational institutions offering high technology programs which are approved by the department;
- (4) "Department" means the Department of Career Education;
- (5) "Full-time student" means a resident of Arkansas who is in attendance at an approved institution and who is enrolled for at least twelve (12) semester hours or such other reasonable academic equivalent as defined by the department; and
- (6) "Scholarship" means an award to an eligible student for enrollment in an approved institution in the State of Arkansas.

**History.** Acts 1983 (Ex. Sess.), No. 86, § 2; A.S.A. 1947, § 80-2591.1; Acts 2005, No. 1962, § 16.

**SUBCHAPTER 5 — CHILDREN OF LAW ENFORCEMENT OFFICERS, ETC.**

SECTION.

- 6-82-501. Definitions.
- 6-82-503. Entitlement.

SECTION.

- 6-82-504. Awards to children.
- 6-82-507. Renewal of scholarship.

**Effective Dates.** Acts 2007, No. 172, § 2: Feb. 28, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that confusion exists regarding the law and that people are being denied scholarships under Arkansas Code § 6-82-503 because the public service employee was returning from a location where a hazardous situation existed; that the risks that public service employees take in the scope of going to and returning from hazardous situations are equally high; and that this act is immediately necessary to ensure that public service employees who risk their lives and health are treated equally. Therefore, an emergency is declared to exist and this act being necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its ap-

proval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1217, § 2: July 31, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that continuing eligibility for this program needs to exist in order to ensure these students achieve academic success and complete a program of study; that the state is expending funds for student credit hours that will not count toward degree completion; and that the state has an interest in promoting scholarship programs that encourage student achievement. Therefore, an emergency is declared to exist and this act

being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by

the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

### 6-82-501. Definitions.

As used in this subchapter:

(1) "Child" or "children" means any natural child, adopted child, or stepchild who is eligible under § 6-82-504;

(2) "Department of Community Correction employee" means any employee of the Department of Community Correction who suffers fatal injuries or wounds or becomes permanently and totally disabled as a result of injuries or wounds that occurred through contact with parolees, probationers, or center residents;

(3) "Emergency medical technician" means emergency medical technician as defined in § 20-13-202;

(4) "Fire fighter" means any fire fighter employed on a full-time or volunteer duty status while actually engaged in the performance of his or her duties;

(5) "Law enforcement officer" means a:

(A) Constable, which includes all duly elected constables of any beat of any county within the state while actually engaged in the performance of their duties concerning the criminal laws of the county and state;

(B) Game warden, which includes all appointed game wardens employed by the State of Arkansas on a full-time duty status while actually engaged in their duties concerning the game laws of this state;

(C) Municipal and college or university police officer, which includes all law enforcement officers of any municipality, college, or university who are regular duty personnel on full-time status and does not include auxiliary officers or those serving on a temporary or part-time status;

(D) Sheriff or deputy sheriff, which includes all law enforcement officers of full-time status on a regular basis serving the sheriff's department of any county but does not include deputy sheriffs who are engaged in administrative or civil duty or deputy sheriffs serving in a temporary capacity or part-time basis; and

(E) State highway patrolman, which includes any law enforcement officer, regardless of department or bureau, of the Department of Arkansas State Police;

(6) "State correction employee" means any employee of the Department of Correction or the Corrections School System who becomes subject to injury through contact with inmates or parolees of the department;

(7) "State forestry employee" means an employee of the Arkansas Forestry Commission who is actively engaged in his or her duties of fighting forest fires;

(8) "State highway employee" means any employee of the Arkansas State Highway and Transportation Department who actively engages in highway maintenance, construction, or traffic operations on the roadways and bridges of the state highway system while the roadways and bridges are open for use by the traveling public;

(9) "State parks employee" means any employee of the State Parks Division of the Department of Parks and Tourism who is a commissioned law enforcement officer or emergency response employee while actively engaged in the performance of his or her duties; and

(10) "Teacher" means any person employed by a public school for the purpose of giving instruction and whose employment requires state certification.

**History.** Acts 1973, No. 521, § 2; 1985, No. 420, § 1; A.S.A. 1947, § 80-3360; Acts 1993, No. 153, § 1; 1997, No. 547, § 8; 1999, No. 56, § 1; 1999, No. 1034, § 1; 2001, No. 113, § 1; Acts 2007, No. 806, § 2.

**Amendments.** The 2007 amendment inserted present (3), and redesignated the following subdivisions accordingly.

### **6-82-503. Entitlement.**

(a) If any Arkansas law enforcement officer, full-time or volunteer fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee suffers fatal injuries or wounds or becomes permanently and totally disabled as a result of injuries or wounds that occurred in the performance of a hazardous duty within the scope of his or her employment or that occurred en route to or returning from a location where a hazardous situation existed, his or her children and spouse shall be entitled to a total of eight (8) semesters, or the equivalent thereof, of scholarship awards without cost, exclusive of books, food, school supplies, materials, and dues or fees for extracurricular activities, at any state-supported college, university, or technical institute of his or her choice within this state. Up to four (4) semesters, or the equivalent thereof, may be taken at a technical institute.

(b) Scholarship benefits shall not accrue under this subchapter to any person if the wounds or injuries suffered by any law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee are self-inflicted or if the death is self-induced.

(c) Unless § 6-82-504(e) is applicable, the Arkansas State Claims Commission shall award any scholarship benefit provided by this subchapter at the same time that any death benefit or total and



permanent disability benefit is awarded by the commission under the provisions of § 21-5-701 et seq.

**History.** Acts 1973, No. 521, §§ 1, 2; A.S.A. 1947, §§ 80-3359, 80-3360; Acts 1989, No. 190, § 1; 1993, No. 153, § 2; 1997, No. 547, § 10; 1999, No. 56, § 2; 1999, No. 1034, § 2; 2001, No. 113, § 2; 2001, No. 158, § 1; 2007, No. 172, § 1; No. 806, § 3.

**Amendments.** The 2007 amendment by No. 172, in (a), inserted “or her” and “or returning from.”

The 2007 amendment by No. 806 inserted “emergency medical technician” in (a) and (b), and made related changes.

## 6-82-504. Awards to children.

(a) In order for a natural child to be eligible to receive a scholarship benefit:

(1) The child must have been born prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee; or

(2) The law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee or the spouse of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee must have been pregnant with the child at the time of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee.

(b) In order for an adopted child to be eligible to receive a scholarship benefit:

(1) The child must have been adopted prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee; or

(2) The child's adoption process must have begun prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee.

(c) In order for a stepchild under the age of nineteen (19) to be eligible to receive a scholarship benefit:

(1) The stepchild must have been listed as a dependent on the federal and state income tax returns of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correc-

tion employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee in each of the five (5) income years immediately prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee; and

(2) The stepchild must have received more than one-half (1/2) of his or her financial support from the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee in each of the five (5) income years immediately prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee.

(d) In order for a stepchild nineteen (19) years of age or older to be eligible to receive a scholarship benefit:

(1) The stepchild must have been listed as a dependent on the federal and state income tax returns of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee in each of five (5) income years during the eight (8) years immediately prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, teacher, state parks employee, or state forestry employee; and

(2) The stepchild must have received more than one-half (1/2) of his or her financial support from the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee in each of five (5) income years during the eight (8) years immediately prior to the date of the death or total and permanent disability of the law enforcement officer, fire fighter, emergency medical technician, state highway employee, state correction employee, Department of Community Correction employee, state parks employee, teacher, or state forestry employee.

(e) If the covered public employee or his or her heirs did not file for the available death or disability benefit, but were otherwise eligible to receive, within the time frame provided in § 21-5-703, then the covered public employee's child or children who would have otherwise been eligible to receive the provided educational scholarship benefit under this section may individually file prior to their twenty-first birthdays a claim to receive the provided educational scholarship benefit.

**History.** Acts 1973, No. 521, § 3; A.S.A. 1947, § 80-3361; Acts 1993, No. 153, § 3; 1997, No. 547, § 11; 1999, No. 56, § 3; 1999, No. 1034, § 3; 2001, No. 113, § 3; 2003, No. 1473, § 14; 2007, No. 806, § 4.

**Amendments.** The 2007 amendment inserted "emergency medical technician" throughout the section, and made related changes.

## **6-82-507. Renewal of scholarship.**

To retain eligibility for a scholarship benefit under this subchapter, a recipient shall:

(1) Maintain a minimum of a 2.0 grade point average on a 4.0 scholastic grading scale; and

(2) Meet any other continuing eligibility criteria established by the Department of Higher Education.

**History.** Acts 2009, No. 1217, § 1.

## **SUBCHAPTER 6 — CHILDREN OF VETERANS, PRISONERS OF WAR, ETC.**

### **SECTION.**

6-82-601. Tuition waiver for dependents of certain veterans.

### **SECTION.**

6-82-602. [Repealed.]

## **6-82-601. Tuition waiver for dependents of certain veterans.**

(a) As used in this section:

(1) "Dependent" means a spouse or any child born or conceived by, legally adopted by, or under the legal guardianship of a prisoner of war or person declared to be missing in action or killed in action or killed on ordnance delivery, or disabled veteran. The dependent child or spouse of a prisoner of war, veteran missing in action, or killed in action or killed on ordnance delivery, or disabled veteran must be a current resident of Arkansas. Stepchildren of the veteran are not eligible unless they have been legally adopted by the veteran or the veteran has been appointed as the legal guardian of the stepchild. A dependent child must meet the definition of dependent child as established by the U.S. Federal Department of Education;

(2) "Disabled veteran" means a person who has been awarded special monthly compensation by the federal Department of Veterans Affairs for service-connected, one hundred percent (100%) total and permanent disability;

(3) "Ordnance delivery" means the piloting of or flying in an experimental or test aircraft while determining its fitness or ability to perform its military function or mission; and

(4) "Prisoner of war", "person missing in action", "person killed in action", "person killed on ordnance delivery", and "disabled veteran" means any person who was a resident of the State of Arkansas at the time that person entered the service of the United States armed forces or whose official residence is within the State of Arkansas and who, while serving in the armed forces, has been declared to be a prisoner of war, a person missing in action, or a person killed in action as



established by the Secretary of Defense of the United States after January 1, 1960, or a person killed on ordnance delivery, or has been declared by the federal Department of Veterans Affairs to be one hundred percent (100%) totally and permanently disabled as a result of service-connected injuries or service-connected medical conditions. It is not necessary for the purposes of these definitions that capture or death occur during a declared war or as a result of hostile actions. A death as result of injuries received while serving in the armed forces is only covered by this statute if the death occurred while on active duty.

(b) Each applicant must apply for the Dependents' Educational Assistance Program (DEA) Chapter 35 of Title 38 of the U.S. Code with the federal Department of Veterans' Affairs. The applicant must provide the Arkansas Department of Higher Education with proof of acceptance of DEA or non-eligibility into DEA upon application to this program.

(c) The Arkansas Higher Education Coordinating Board and the State Board of Education are directed, authorized, and empowered to promulgate and adopt such rules and regulations as are necessary to implement the provisions of this section.

(d)(1) Except as provided under subdivision (d)(2) of this section, a dependent of a disabled veteran, a prisoner of war, or a person declared to be missing in action or killed in action, or a person killed on ordnance delivery as defined by the provisions of this section, upon his or her being accepted for enrollment into any state-supported institution of higher education in the State of Arkansas, shall be allowed to obtain a bachelor's degree for so long as he or she is eligible with state assistance for tuition, fees, or other charges as provided under this subsection (d).

(2)(A) The state assistance under this section is limited to the tuition, fees, or other charges that exceed the amount of monetary benefits that the dependent is eligible to receive from the Dependents' Educational Assistance Program during the months included in each semester in which the dependent is enrolled.

(B) If the dependent is not eligible for monetary benefits from the Dependents' Educational Assistance Program but is eligible for the benefits under this section, the dependent shall be allowed to obtain a bachelor's degree free of tuition, fees, or other charges from the state-supported institution of higher education.

(e) Once a person qualifies as a dependent under the terms and provisions of this section, there shall be no situation such as the return of the parent or the reported death of the parent that will remove the dependent from the provisions or benefits of this section.

(f) An eligible recipient shall receive a scholarship for one (1) academic year, renewable for up to three (3) additional academic years if the recipient meets continuing eligibility criteria established by the Department of Higher Education.

(g) Any person receiving this scholarship as of June 30, 2007, will be grandfathered into the program under the law as stated prior to July 1, 2007.

(h) In compliance with the Arkansas Department of Higher Education's scholarship stacking policy, no student's total financial aid package, which can include multiple scholarships, can exceed the recognized cost of attendance at a higher education institution.

**History.** Acts 1973, No. 188, §§ 1-3; A.S.A. 1947, §§ 80-3363 — 80-3365; Acts 1987, No. 72, §§ 1, 2; 1989, No. 759, § 1; 2005, No. 2127, § 1; 2007, No. 717, § 1; 2009, No. 1216, § 1.

**Amendments.** The 2007 amendment rewrote (a)(1); in (a)(4), inserted "and 'disabled veteran'," inserted "or has been . . . connected medical conditions," and added the last sentence; added (b) and redesignated the remaining subsections accordingly; in (d), substituted "Except as provided under subdivision (d)(2) of this section, a" for "Any," deleted "or state supported technical or vocational school" following "education," deleted "or certifi-

cate of completion or, if he or she did not receive any undergraduate education in the State of Arkansas, a graduate or professional degree" following "degree," and added "with state assistance for tuition, fees, or other charges as provided under this subsection (d)"; added (d)(2); in (d)(2)(B), added "If the dependent . . . a bachelor's degree," substituted "the state-supported" for "such" and "of higher education" for "or school"; added (f) through (h); and made related changes.

The 2009 amendment substituted "is eligible to receive" for "receives" in (d)(2)(A).

## 6-82-602. [Repealed.]

**Publisher's Notes.** This section, concerning children of certain veterans having served between September 16, 1940, and December 31, 1946, was repealed by

Acts 2007, No. 717, § 2. The section was derived from Acts 1965, No. 315, §§ 2, 3; 2005, No. 2127, § 2.

## SUBCHAPTER 10 — ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM

### SECTION.

6-82-1001 — 6-82-1011. [Repealed.]

**Effective Dates.** Acts 2005, No. 2011, § 5: Apr. 13, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the financial eligibility requirements for the Arkansas Academic Challenge Scholarship Program must be clarified; that clarification of the eligibility requirements for financial need will help more Arkansas students enter and complete their post-secondary education; and that this act is immediately necessary to prevent student hardships and provide stability for the 2005-2006 school year. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by

the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2005, No. 2214, § 5: Apr. 13, 2005. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the financial eligibility requirements for the Arkansas Academic Challenge Scholarship Program must be clarified; that clarification of the eligibility requirements for financial need will help more Arkansas students enter and complete their post-secondary education; and that this act is immediately necessary to prevent student hardships

and provide stability for the 2005-2006 school year. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2007, No. 840, § 2: Apr. 3, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the financial eligibility requirements for the Arkansas Academic Challenge Scholarship Program must be clarified; that clarification of the eligibility requirements for financial need will help more Arkansas students enter and complete their post-secondary education; and that this act is immediately necessary to prevent student hardships and provide stability for the 2007-2008 school year. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time

during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, Nos. 605 and 606, § 27: Mar. 25, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the people of the State of Arkansas overwhelmingly approved the establishment of lotteries at the 2008 General Election; that lotteries will provide funding for scholarships to the citizens of this state; that the failure to immediately implement this act will cause a reduction in lottery proceeds that will harm the educational and economic success of potential students eligible to receive scholarships under the act; and that the state lotteries should be implemented as soon as possible to effectuate the will of the citizens of this state and implement lottery-funded scholarships as soon as possible. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

## 6-82-1001 — 6-82-1011. [Repealed.]

**A.C.R.C. Notes.** Pursuant to Acts 2009, No. 376, § 58, the amendment of § 6-82-1005(e)(3) by Acts 2009, No. 376, § 56, is superseded by the repeal of § 6-82-1005 by Acts 2009, No. 605, § 3 and Acts 2009, No. 606, § 3.

Pursuant to Acts 2009, No. 376, § 58, the amendment of § 6-82-1006(d)(1) by Acts 2009, No. 376, § 57, is superseded by the repeal of § 6-82-1006 by Acts 2009, No. 605, § 3 and Acts 2009, No. 606, § 3.

**Publisher's Notes.** This subchapter was repealed by Acts 2009, Nos. 605 and 606, § 3. The subchapter was derived from the following sources:

6-82-1001. Acts 1991, No. 352, § 1; 1991, No. 362, § 1; 1993, No. 1170, § 1;

1997, No. 977, § 4; 1999, No. 858, § 11; 2003, No. 1798, § 1.

6-82-1002. Acts 1991, No. 352, § 3; 1991, No. 362, § 3; 1997, No. 208, § 4; 1999, No. 858, §§ 1, 2; 2001, No. 1664, § 1; 2001, No. 1836, § 1; 2005, No. 2011, § 1; 2005, No. 2214, § 1.

6-82-1003. Acts 1991, No. 352, § 2; 1991, No. 362, § 2; 2001, No. 1836, § 2.

6-82-1004. Acts 1991, No. 352, § 6; 1991, No. 362, § 6; 1992 (1st Ex. Sess.), No. 47, § 4; 1993, No. 1170, § 2; 1999, No. 858, §§ 3, 12; 2007, No. 341, § 4.

6-82-1005. Acts 1991, No. 352, § 4; 1991, No. 362, § 4; 1991, No. 733, §§ 1, 2; 1992 (1st Ex. Sess.), No. 47, §§ 2, 3; 1993, No. 1170, § 3; 1993, No. 1244, §§ 1, 2;



1995, No. 1296, § 38; 1997, No. 977, § 5; 1999, No. 858, §§ 4-9; 2001, No. 1836, § 3; 2005, No. 2011, §§ 2, 3; 2005, No. 2197, § 3; 2005, No. 2214, §§ 2, 3; 2007, No. 341, § 2; No. 840, § 1.

6-82-1006. Acts 1991, No. 352, § 5; 1991, No. 362, § 5; 1995, No. 188, §§ 1, 2; 1995, No. 228, §§ 1, 2; 1997, No. 488, § 1; 1999, No. 858, §§ 10, 13; 2001, No. 1553,

§ 16; 2001, No. 1836, § 4; 2003, No. 1798, § 2; 2005, No. 2011, § 4; 2005, No. 2214, § 4; 2007, No. 274, § 3; No. 341, § 3.

6-82-1007. Acts 2001, No. 1664, § 2.

6-82-1008. Acts 2003, No. 1798, § 3.

6-82-1009. Acts 2003, No. 1798, § 4.

6-82-1010. Acts 2003, No. 1798, § 5.

6-82-1011. Acts 2005, No. 2197, § 4.

## SUBCHAPTER 15 — ARKANSAS GEOGRAPHICAL CRITICAL NEEDS MINORITY TEACHER SCHOLARSHIP PROGRAM

**A.C.R.C. Notes.** Acts 2011, No. 1065, § 39, provided: “APPROPRIATION TRANSFER PROCEDURES — AR GEOGRAPHICAL CRITICAL NEEDS MINORITY TEACHER SCHOLARSHIP PROGRAM. The Director of the Arkansas Department of Higher Education shall determine the amount available, up to \$200,000 per fiscal year, to fund the Arkansas Geographical Critical Needs Minority Teacher Scholarships and shall certify to the Chief Fiscal Officer of the State and the State Treasurer such amount as is required to be transferred from the Higher Education Grants Fund Account.

Upon receiving such certification, the Chief Fiscal Officer of the State and the State Treasurer shall cause to be transferred the necessary funds and appropriation to the fund account of the University of Arkansas at Pine Bluff for implementation of this program. The University of Arkansas at Pine Bluff may use up to twenty percent (20%) of the funds and appropriation for administration of the program.

“The provisions of this section shall be in effect only from July 1, 2011 through June 30, 2012.”

## SUBCHAPTER 16 — ARKANSAS WORKFORCE IMPROVEMENT GRANT PROGRAM

### SECTION.

6-82-1602. Definitions.

6-82-1604. Administration — Authority of Department of Higher Education.

6-82-1605. Eligibility.

### SECTION.

6-82-1607. Duties of applicant for grant.

6-82-1608. Amounts of grants.

6-82-1609. Award made to student.

6-82-1611. [Repealed.]

6-82-1613. Rules and regulations.

### 6-82-1602. Definitions.

As used in this subchapter, unless the context otherwise requires:

(1) “Approved institution” means a public-supported or private, non profit postsecondary institution with its primary headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds or any nursing school with its primary headquarters located in Arkansas that is eligible to participate in Title IV federal student aid programs;

(2) “Arkansas Workforce Improvement Grant” means the amount of money paid by the State of Arkansas to a qualified applicant under this subchapter;

(3) "Credit certificate" means certificate programs that are taken for credit;

(4) "Department" means the Department of Higher Education;

(5) "Eligible student" means any student who meets the criteria set out in this subchapter and who is eligible by rules and regulations authorized by this subchapter and promulgated by the Arkansas Higher Education Coordinating Board;

(6)(A) "Financial need" means the difference between the student's financial resources available as determined by the department and the student's total educational expenses, including tuition, mandatory fees, and board and room while attending an approved private or public institution of postsecondary education.

(B) In determining need, the department shall employ a formula of or a formula similar to a nationally recognized comprehensive mechanism for determining need;

(7) "Full-time student" means an individual resident of Arkansas as defined by the department who:

(A) Is a student at an approved private or public institution in a course of study leading to an associate's or bachelor's degree or completion of an occupational training program; and

(B) Is enrolled in at least twelve (12) semester hours or some other reasonable academic equivalent as defined by the department;

(8) "Program" means the Arkansas Workforce Improvement Grant Program;

(9) "Qualified student" means a student who meets eligibility criteria and financial need as determined by the department and who has demonstrated that a Workforce Improvement Grant is warranted; and

(10) "Tuition" means charges levied for attendance at an approved institution, including mandatory fees.

**History.** Acts 2003, No. 1796, § 1;  
2005, No. 2129, § 1.

#### **6-82-1604. Administration — Authority of Department of Higher Education.**

The Department of Higher Education shall administer the Arkansas Workforce Improvement Grant Program provided for in this subchapter and in so doing shall have the following authority and responsibility with respect to the program:

(1) To consider all applications for an Arkansas Workforce Improvement Grant;

(2) To prepare application forms and other forms as it shall deem necessary to properly administer and carry out the purposes of this subchapter and to furnish the forms to persons desiring to make application for a grant;

(3)(A) To determine the necessary procedures for the awarding of grants should the number of eligible applicants exceed funds avail-

able, giving priority to those students who exhibit financial need and who meet academic eligibility requirements.

(B) To identify those students who exhibit financial need, the department shall utilize the family contribution method or another acceptable approved methodology;

(4) To determine a termination date for the acceptance of applications;

(5) To require applicants to file such additional information with the department as it may deem necessary and appropriate to carry out the purposes of this subchapter and to prevent fraud or misrepresentation or misleading representation by applicants;

(6) To disburse grants to qualified students;

(7) To adopt rules and regulations as the department deems necessary or appropriate to carry out the purposes of this subchapter;

(8) To cooperate with and receive the cooperation of the approved private and public institutions of postsecondary education in the state and their governing bodies in the administration of the program;

(9) To establish and consult as necessary an advisory committee representing the private and public sectors of postsecondary education in determining guidelines and regulations for administration of the program, including, but not limited to, rules determining academic ability, financial need, and residency;

(10) To employ or engage such professional, administrative, clerical, and other employees as may be necessary to assist the department in the performance of its duties and responsibilities; and

(11) To provide fair and equitable treatment to all approved institutions and students.

**History.** Acts 2003, No. 1796, § 1;  
2005, No. 2129, § 2.

### **6-82-1605. Eligibility.**

A qualified student shall be eligible for an initial or renewed state Arkansas Workforce Improvement Grant only if the student:

(1) Is a citizen of the United States or a permanent resident alien;

(2) Is a resident of the State of Arkansas as determined by the Department of Higher Education for at least six (6) months immediately preceding the date on which the student applies;

(3) Is accepted for admission at an approved institution of postsecondary education of his or her choice to pursue a baccalaureate degree, an associate degree, or a credit certificate;

(4) Is enrolled in no fewer than three (3) credit hours or the equivalent as of the eleventh day of class at an approved institution that the department has determined to be eligible to participate in the Arkansas Workforce Improvement Grant Program;

(5)(A) As an initial first-year student, meets satisfactory academic progress standards required to receive other financial aid at the



institution to be attended as determined by the rules and regulations of the department.

(B) After the initial first year, the student meets satisfactory academic progress standards of the institution attended;

(6) Has not earned a baccalaureate degree;

(7) Does not owe a refund on a Pell Grant, Supplemental Educational Opportunity Grant, or State Student Incentive Grant award or is not in default on a National Defense/Direct Student Loan, Perkins Loan, Stafford Loan, Supplemental Loan for Students, Parent Loan for Undergraduate Students, Income Contingent Loan, William D. Ford Federal Direct Loan, or Consolidated Loans Program;

(8) Has not borrowed, as determined by the institution to be attended, in excess of the annual loan limits under the Federal Family Educational Loan Program Systems, William D. Ford Federal Direct Loan Program, Income Contingent Loan Demonstration Program, Stafford Loan Program, Parent Loan for Undergraduate Students Program, or Supplemental Loan for Students Program in the same academic year for which the student has applied for assistance under the Arkansas Workforce Improvement Grant Program and has not borrowed in excess of the aggregate maximum loan limits under the Arkansas Workforce Improvement Grant Program;

(9) Is twenty-four (24) years of age or older on or before the first day of the semester or summer sessions in which the grant has been awarded; and

(10)(A) Graduated from high school or passed the General Educational Development Test.

(B) Meets the ability-to-benefit criteria as defined by federal regulations in existence on January 1, 2003.

**History.** Acts 2003, No. 1796, § 1;  
2005, No. 2129, § 3.

## **6-82-1607. Duties of applicant for grant.**

In accordance with the provisions of this subchapter and the rules and regulations of the Department of Higher Education adopted pursuant to this subchapter, each applicant shall:

(1) Complete and file with the department either directly or through a service recognized by the department the appropriate application for an Arkansas Workforce Improvement Grant and other information and data as may be requested by the department for its use and consideration in determining the eligibility of the applicant; and

(2) Promptly furnish to the department information regarding any other financial aid received, any change in the financial status of the applicant, and any other information that might have a direct bearing on the eligibility of the applicant for assistance under this subchapter.

**History.** Acts 2003, No. 1796, § 1;  
2005, No. 2129, § 4.

**6-82-1608. Amounts of grants.**

(a) Each person awarded an Arkansas Workforce Improvement Grant shall receive the grant for one (1) academic year or its equivalent for part-time students as defined by the Department of Higher Education.

(b) The grant may be renewable for up to three (3) academic years or the equivalent for part-time students if the person applies and meets continuing eligibility criteria established by the department.

(c)(1) The amount of the annual grant for full-time students shall not exceed the lesser of two thousand dollars (\$2,000) per academic year or the cost of tuition at the institution.

(2) The amount of the annual grant for part-time students shall be prorated on the basis of the number of credit hours enrolled each term not to exceed the lesser of two thousand dollars (\$2,000) or the cost of tuition at the institution per academic year.

(3) The maximum total grant shall be eight thousand dollars (\$8,000).

(4) The amount of any award under subdivisions (c)(1) or (2) of this section shall be reduced by the amount of any Pell Grant received by the student for the academic year.

(d) The enrollment hours shall be determined on the eleventh class day or the official department counting day.

(e) The department may promulgate rules and regulations to allow institutions to make emergency grants to students under the Arkansas Workforce Improvement Grant Program.

**History.** Acts 2003, No. 1796, § 1;  
2005, No. 2129, § 5.

**6-82-1609. Award made to student.**

The Arkansas Workforce Improvement Grant is to be awarded directly to the student by an eligible postsecondary institution in the name of the student and in a manner to be determined by the Department of Higher Education.

**History.** Acts 2003, No. 1796, § 1;  
2005, No. 2129, § 6.

**6-82-1611. [Repealed.]**

**Publisher's Notes.** This section, concerning transfer to another school, was repealed by Acts 2005, No. 2129, § 7. The section was derived from Acts 2003, No. 1796, § 1.

**6-82-1613. Rules and regulations.**

(a)(1) The Department of Higher Education shall promulgate rules and regulations for the administration of the Arkansas Workforce

Improvement Grant Program by the institutions of higher education consistent with the purposes and requirements of this subchapter.

(2) The rules and regulations shall be reviewed by the Arkansas Workforce Improvement Grant Advisory Committee and approved by the Arkansas Higher Education Coordinating Board.

(b) The rules and regulations shall include:

(1) Student eligibility criteria based on the provisions of this subchapter;

(2) The method for selecting grant recipients;

(3) Rules for determining continuing eligibility;

(4) Procedures for making payment to recipients;

(5) Satisfactory academic standards; and

(6) Other administrative procedures that may be necessary for the implementation and operation of the program.

(c) The department shall file a report no later than December 1 of each year with the Legislative Council stating the total annual number of recipients in the program and the total annual amount of grants awarded.

**History.** Acts 2003, No. 1796, § 1; 2005, No. 2129, § 8.

## SUBCHAPTER 17 — HIGHER EDUCATION OPPORTUNITIES GRANT PROGRAM

### SECTION.

6-82-1701. Legislative intent.

6-82-1702. Definitions.

6-82-1703. Establishment.

6-82-1704. Eligibility.

6-82-1705. Recipients.

### SECTION.

6-82-1706. Rules.

6-82-1707. Administrative costs.

6-82-1708. Informational materials.

6-82-1709. Program evaluation.

**Effective Dates.** Acts 2007, No. 1030, § 2: Apr. 4, 2007. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the financial aid program created in this act will be effective for the 2007-2008 school year; that students who are graduating in May of this year will be impacted by this program and may be eligible for this program; that timing is critical for the dissemination of information to these students to ensure that eligible students know about the program and have the opportunity to apply for the program for the 2007-2008 school year; and that this act is immediately necessary to give the Department of Higher Education adequate time to implement and to publicize the program to potentially eligible students who are graduating in May 2007. Therefore, an emergency is declared

to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1213, § 4: Apr. 7, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the Higher Education Opportunities Grant Program will be effective for the 2009-2010 school year; that students who are graduating in May of 2009 may be eligible for this program; that timing is critical for the dissemination of information to these stu-



dents. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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### **6-82-1701. Legislative intent.**

(a) The General Assembly finds that tuition assistance to low-income students is a key contributor to college and workforce success.

(b) Tuition assistance will significantly enhance the ability of low income students to obtain college degrees and be productive citizens of Arkansas and correspondingly benefit the State of Arkansas as a whole.

**History.** Acts 2007, No. 1030, § 1.

### **6-82-1702. Definitions.**

As used in this subchapter:

(1)(A) "Approved institution" means a public or private institution of higher education located in Arkansas that:

(i) Is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools; or

(ii) Certifies to the Department of Higher Education that its students are accepted for transfer at institutions accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools.

(B) "Approved institution" does not include an institution of higher education that discriminates against applicants, students, or employees on the basis of race, color, religion, sex, age, handicap, or national origin consistent with the provisions of applicable state and federal law;

(2) "Eligible student" means a student who meets the criteria set out by this subchapter and is deemed to be eligible by rules authorized by this subchapter and promulgated by the Department of Higher Education;

(3) "Financial need" means the family income of program applicants as determined by the Department of Higher Education through evaluation of program applications and supporting documentation;

(4) "Full-time undergraduate student" means a resident of Arkansas who attends an approved institution of higher education and is enrolled in at least twelve (12) credit hours or the equivalent the first semester and fifteen (15) credit hours or the equivalent thereafter, as defined by rule of the Department of Higher Education, in a program of study that leads to or is creditable toward an associate degree or a baccalaureate degree;

(5) "High school graduate equivalent" means a student who passes the General Educational Development Test in Arkansas;

(6) "Part-time undergraduate student" means a resident of Arkansas who attends an approved institution of higher education and is enrolled in at least six (6) credit hours per semester or the equivalent but no more than twelve (12) credit hours or the equivalent the first semester and fifteen (15) credit hours or the equivalent thereafter, as defined by rule of the Department of Higher Education, in a program of study that leads to or is creditable towards an associate degree or a baccalaureate degree; and

(7) "Qualified certificate program" means a program that is:

(A) Offered by an approved institution of higher education;

(B) Shorter in duration than an associate degree for which credit hours are awarded that are creditable towards an associate degree; and

(C) Recognized by the United States Department of Education for financial aid purposes.

**History.** Acts 2007, No. 1030, § 1; subsequent subdivisions accordingly; re-wrote present (5); and rewrote present (7),

**Amendments.** The 2009 amendment deleted former (5), which defined "high school graduate" and redesignated the

which formerly defined "unemancipated child or unemancipated children."

### **6-82-1703. Establishment.**

The Higher Education Opportunities Grant Program is established to increase the opportunities of low-income students to pursue higher education opportunities.

**History.** Acts 2007, No. 1030, § 1.

### **6-82-1704. Eligibility.**

(a) Eligibility for the Higher Education Opportunities Grant Program shall be based on criteria established by rule of the Department of Higher Education.

(b) The criteria established by the department shall include the following:

(1) An applicant shall be a citizen of the United States or a permanent resident alien;

(2) An applicant shall be a bona fide resident of the state as defined by the Department of Higher Education for a minimum of twelve (12) months immediately before the date on which the student applies;

(3) An applicant shall be accepted for admission in a qualified certificate program, associate degree program, or a baccalaureate program at an approved institution of higher education as a full-time or part-time student, as defined by the department;

(4) An applicant shall certify that he or she is drug-free and shall pledge in writing on the application form to refrain from the use or abuse of illegal substances; and

(5)(A) An applicant shall demonstrate financial need as determined by the department.

(B) In determining financial need, the following criteria shall be used:

(i) An applicant whose number in the household, as reported on the Free Application for Federal Student Aid, is one (1) shall have an average family adjusted gross income not exceeding twenty-five thousand dollars (\$25,000) per year at the time of application to the program;

(ii) An applicant whose number in the household, as reported on the Free Application for Federal Student Aid, includes more than one (1) shall add an additional five thousand dollars (\$5,000) per additional number in the household up to ten (10) additional household members, as reported on the Free Application for Federal Student Aid to the base income of twenty-five thousand dollars (\$25,000); and

(iii) The department shall have the authority to adjust these financial need family income requirements on an annual basis, using the federal Consumer Price Index to make any necessary changes. Other financial need criteria necessary for the selection of recipients, including those defined as emancipated or independent by federal student aid regulations, shall be established through rules issued by the department.

**History.** Acts 2007, No. 1030, § 1; 2009, No. 1213, § 2.

**Amendments.** The 2009 amendment rewrote (b)(2); deleted former (b)(3) and redesignated the subsequent subdivisions accordingly; rewrote present (b)(3); substituted “number in the household, as reported on the Free Application for Federal Student Aid” for “family” in (b)(5)(B)(i)

and (b)(5)(B)(ii); deleted “unemancipated child” following “one (1)” in (b)(5)(B)(i) and (b)(5)(B)(ii); substituted “additional number in the household up to ten (10) additional household members, as reported on the Free Application for Federal Student Aid” for “child” in (b)(5)(B)(ii); and made a minor stylistic change.

## 6-82-1705. Recipients.

(a) Students who receive grants under this subchapter shall be known as Higher Education Opportunities Grant recipients.

(b) An eligible recipient shall receive a grant for one (1) academic year, renewable for up to a total cumulative award amount of four thousand dollars (\$4,000) if the recipient meets continuing eligibility criteria established by rule of the Department of Higher Education.

(c) The amount of the annual grant awarded to each recipient shall be one thousand dollars (\$1,000) for full-time students and five hundred dollars (\$500) for part-time students.

(d) No student’s total financial aid package, including multiple scholarships, shall exceed the recognized cost of attendance at an institution of higher education.

(e) Awards shall be applied only to a fall semester and a spring semester.

**History.** Acts 2007, No. 1030, § 1; 2009, No. 1213, § 3.

**Amendments.** The 2009 amendment added (e).



**6-82-1706. Rules.**

(a) The Department of Higher Education shall promulgate rules for the administration of the Higher Education Opportunities Grant Program consistent with the purposes and requirements of this subchapter.

(b) The rules shall include:

- (1) Student eligibility criteria incorporating the requirements of this subchapter;
- (2) A method for selecting grant recipients;
- (3) A method for determining continuing eligibility;
- (4) Procedures for making payment to recipients; and
- (5) Other administrative procedures necessary for the implementation and operation of the program.

**History.** Acts 2007, No. 1030, § 1.

**6-82-1707. Administrative costs.**

The Department of Higher Education is authorized to expend each year up to two percent (2%) of the amount appropriated for the Higher Education Opportunities Grant Program for data processing and other administrative costs of the program.

**History.** Acts 2007, No. 1030, § 1.

**6-82-1708. Informational materials.**

The Department of Education and the Department of Higher Education shall develop appropriate informational materials on the Higher Education Opportunities Grant Program for distribution to all Arkansas students in grades seven (7) through twelve (12) each year as part of the packet of materials on precollegiate preparation distributed by the Department of Education.

**History.** Acts 2007, No. 1030, § 1.

**6-82-1709. Program evaluation.**

The Director of the Department of Higher Education may review and evaluate the operation of the Higher Education Opportunities Grant Program with regard to eligibility criteria and size of the grant award to ensure that the program's operation meets the intent of this legislation.

**History.** Acts 2007, No. 1030, § 1.

CHAPTER 84  
TAX-DEFERRED TUITION SAVINGS PROGRAM

SECTION.

- 6-84-102. Purpose.
- 6-84-103. Definitions.
- 6-84-105. Administration — Authority — Powers.
- 6-84-106. Investment direction.
- 6-84-108. Naming of designated beneficiary and transfers of accounts.

SECTION.

- 6-84-109. Account withdrawals.
- 6-84-111. Funds exempt from tax.
- 6-84-113. Liberal construction.
- 6-84-114. Aspiring Scholars Matching Grant Program.

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of Section 12, subdivision (a)(1)(B) of Section 16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision

(14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

6-84-102. Purpose.

It is the intent and purpose of this chapter to create and establish the Arkansas Tax-Deferred Tuition Savings Program pursuant to 26 U.S.C. § 529 as in effect on January 1, 2011, to be administered by the Section 529 Plan Review Committee through the adoption of rules and regulations for the administration of the program.

**History.** Acts 1999, No. 996, § 2; 2003, No. 515, § 1; 2007, No. 218, § 1; 2011, No. 787, § 1.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003.”

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007.”

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of Section 12, subdivision (a)(1)(B) of Section

16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

6-84-103. Definitions.

As used in this chapter:

- (1) “Account” means an account established in accordance with this chapter;
- (2) “Account owner” means the person who, under this chapter or the rules promulgated by the Section 529 Plan Review Committee, is entitled to select or change the designated beneficiary of an account, to

designate any person other than the designated beneficiary to whom funds may be paid from the account, or to receive distributions from the account if no other person is designated;

(3) "Act" means the Arkansas Tax-Deferred Tuition Savings Program Act;

(4)(A) "Arkansas Tax-Deferred Tuition Savings Program Trust" or "trust" means the trust created under § 6-84-104.

(B) Participation in the trust shall be open to Arkansas residents and nonresidents alike;

(5) "Committee" means the Section 529 Plan Review Committee, provided for in § 6-84-105, that shall oversee the administration of the Arkansas Tax-Deferred Tuition Savings Program and ensure that the program complies with the provisions of this chapter and acts in accordance with 26 U.S.C. § 529 as in effect on January 1, 2011;

(6) "Contribution" means:

(A) Any payment directly allocated to an account for the benefit of a designated beneficiary or used to pay administrative fees associated with an account; and

(B) That portion of any rollover amount treated as a contribution under 26 U.S.C. § 529 as in effect on January 1, 2011;

(7) "Contributor" means any person making a contribution to an account;

(8) "Designated beneficiary" means, except as provided in § 6-84-108, the individual designated at the time the account is opened as having the right to receive a qualified withdrawal for the payment of qualified higher education expenses or, if the designated beneficiary is replaced in accordance with § 6-84-108, the replacement;

(9) "Higher education institution" means an eligible education institution as defined in 26 U.S.C. § 135(c)(3) as in effect on January 1, 2011;

(10) "Member of the family" shall have the same meaning as is contained in 26 U.S.C. § 529(e) as in effect on January 1, 2011;

(11) "Nonqualified withdrawal" means a withdrawal from an account that is not:

(A) A qualified withdrawal;

(B) A withdrawal made as the result of the death or disability of the designated beneficiary;

(C) A withdrawal made as the result of a scholarship, allowance, or payment described in 26 U.S.C. § 135(d)(1)(B) or (C) as in effect on January 1, 2011, received by the designated beneficiary but only to the extent of the amount of the scholarship, allowance, or payment; or

(D) A rollover or change in the designated beneficiary;

(12) "Person" means a person as defined in 26 U.S.C. § 529 as in effect on January 1, 2011;

(13) "Program" means the Arkansas Tax-Deferred Tuition Savings Program established by this chapter;

(14) "Qualified higher education expenses" means tuition and other permitted expenses as set forth in 26 U.S.C. § 529(e) as in effect on



January 1, 2011, for the enrollment or attendance of a designated beneficiary at a higher education institution;

(15) “Qualified tuition program” means a qualified tuition program as defined in 26 U.S.C. § 529(b) as in effect January 1, 2011;

(16) “Qualified withdrawal” means a withdrawal from an account to pay the qualified higher education expenses of the designated beneficiary but only if the withdrawal is made in accordance with the requirements of the program; and

(17) “Rollover” means a disbursement or transfer from an account that is transferred to or deposited within sixty (60) calendar days of the transfer into an account of the same person for the benefit of the same designated beneficiary or another person as a designated beneficiary if the transferee account was created under this chapter or under another qualified tuition program maintained in accordance with 26 U.S.C. § 529(c) as in effect on January 1, 2011.

**History.** Acts 1999, No. 996, § 3; 2003, No. 515, § 1; 2007, No. 218, § 2; 2011, No. 787, § 2.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003” throughout the section.

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007” throughout the section.

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of

Section 12, subdivision (a)(1)(B) of Section 16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

## 6-84-105. Administration — Authority — Powers.

(a) This chapter shall be administered by the Section 529 Plan Review Committee, which shall be composed of:

(1) The Director of the Department of Higher Education;

(2) The Executive Director of the Arkansas Teacher Retirement System; and

(3) The Treasurer of State.

(b) The committee shall adopt such rules and regulations as it deems necessary and proper to administer this chapter and to ensure the compliance of the Arkansas Tax-Deferred Tuition Savings Program with 26 U.S.C. § 529 as in effect on January 1, 2011.

(c) The committee shall have the following powers, duties, and functions:

(1) To establish, develop, implement, and maintain the program in a manner consistent with the provisions of this chapter and 26 U.S.C. § 529 as in effect on January 1, 2011, and to obtain the benefits provided by 26 U.S.C. § 529 for the program, account owners, and designated beneficiaries;

(2) To adopt rules and regulations for the general administration of the program;

(3) To maintain, invest, and reinvest the funds contributed into the program consistent with the investment restrictions established by the

committee and the standard of care described in the prudent investor rule under § 24-2-610; and

(4)(A) To make and enter into any and all contracts, agreements, or arrangements and to retain, employ, and contract for the services of financial institutions, depositories, consultants, broker dealers, investment advisors or managers, third-party plan administrators, and research, technical, and other services necessary or desirable for carrying out the purposes of this chapter.

(B) Contracts entered into by the committee may be for a term of from one (1) to ten (10) years.

**History.** Acts 1999, No. 996, §§ 5, 6; 2003, No. 515, § 1; 2007, No. 218, § 3; 2011, No. 787, § 3.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003” in (b) and (c)(1); and substituted “§ 24-2-610” for “§ 24-3-417 [repealed]” in (c)(3).

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007” in (b) and (c)(1).

**Effective Dates.** Acts 2011, No. 787,

§ 36, provided: “Subdivision (14)(B) of Section 12, subdivision (a)(1)(B) of Section 16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

## 6-84-106. Investment direction.

Except as permitted in 26 U.S.C. § 529 as in effect on January 1, 2011, no person shall have the right to direct the investment of any contributions to or earnings from the Arkansas Tax-Deferred Tuition Savings Program.

**History.** Acts 1999, No. 996, § 8; 2003, No. 515, § 1; 2007, No. 218, § 4; 2011, No. 787, § 4.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003.”

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007.”

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of Section 12, subdivision (a)(1)(B) of Section

16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

## 6-84-108. Naming of designated beneficiary and transfers of accounts.

(a) An account owner shall have the right to name the designated beneficiary of an account and at any time to change the designated beneficiary of an account to another individual who is a member of the family of the former designated beneficiary.

(b) At the direction of an account owner, all or a portion of an account may be transferred to another account of which the designated beneficiary is a member of the family of the designated beneficiary of the

transferee account if the transferee account was created by this chapter or under another qualified tuition program maintained in accordance with 26 U.S.C. § 529 as in effect January 1, 2011.

**History.** Acts 1999, No. 996, § 10; 2003, No. 515, § 1; 2007, No. 218, § 5; 2011, No. 787, § 5.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003” in (b).

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007” in (b).

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of

Section 12, subdivision (a)(1)(B) of Section 16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

### 6-84-109. Account withdrawals.

(a) Withdrawal from an account may be made on thirty (30) days’ written notice by the account owner to the Section 529 Plan Review Committee or on shorter notice as the committee may by regulation provide.

(b)(1) An account withdrawal paid to or for the benefit of any person during any calendar year shall be reported to the person and to the Internal Revenue Service.

(2) The report shall be made at the time required by the rules of the Internal Revenue Service as in effect on January 1, 2011, and contain such information as is required by law.

**History.** Acts 1999, No. 996, § 11; 2003, No. 515, § 1; 2007, No. 218, § 6; 2011, No. 787, § 6.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003” in (b)(2).

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007” in (b)(2).

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of

Section 12, subdivision (a)(1)(B) of Section 16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

### 6-84-111. Funds exempt from tax.

(a) Except as otherwise indicated in this chapter, interest, dividends, and capital gains from funds invested in the Arkansas Tax-Deferred Tuition Savings Program or a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529 as in effect on January 1, 2011, shall be exempt from Arkansas income taxes.

(b)(1) For tax years beginning on or after January 1, 2005, contributions to a tuition savings account established under this program may be deducted from the taxpayer’s adjusted gross income for the purpose of calculating Arkansas income tax under § 26-51-403(b).



(2) The deductible contributions shall not exceed five thousand dollars (\$5,000) per taxpayer in any tax year.

(3) Contributions to this program that have been deducted from the taxpayer's adjusted gross income for prior tax years shall be subject to recapture if the taxpayer:

(A) Makes a subsequent nonqualified withdrawal from the account; or

(B) Rolls the account over to a tax-deferred tuition savings program established by another state or institution under 26 U.S.C. § 529 as in effect on January 1, 2011.

(4) The contribution shall be recaptured by adding the amount previously deducted, not to exceed the amount of the nonqualified withdrawal or rollover, to the taxpayer's adjusted gross income for the tax year in which the nonqualified withdrawal or rollover occurred.

(c)(1) Qualified withdrawals from a tuition savings account established under this program or a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529 as in effect on January 1, 2011, will be exempt from Arkansas income tax with respect to the designated beneficiary's income.

(2)(A) Nonqualified withdrawals from a tuition savings account established under this program or a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529 as in effect on January 1, 2011, will be subject to Arkansas income tax.

(B) The nonqualified withdrawal will be taxable to the party, account owner, or designated beneficiary who actually makes the withdrawal.

(d) Any earnings on the contribution that are included in the refund will be subject to Arkansas income tax if an account owner receives a refund of contributions to a tuition savings account established under this program or a tax-deferred tuition savings program established by another state under 26 U.S.C. § 529 as in effect on January 1, 2011, because of either:

(1) The death or disability of the designated beneficiary; or

(2) A scholarship, allowance, or payment described in 26 U.S.C. § 135(d)(1)(B) or (C) as in effect on January 1, 2011, received by the designated beneficiary.

**History.** Acts 1999, No. 996, § 13; 2003, No. 515, § 1; 2003, No. 663, § 1; 2005, No. 1973, § 1; 2007, No. 218, § 7; 2011, No. 787, § 7.

**Amendments.** The 2007 amendment substituted "January 1, 2007" for "January 1, 2005" throughout the section.

The 2011 amendment substituted "January 1, 2011" for "January 1, 2007" throughout the section.

**Effective Dates.** Acts 2011, No. 787, § 36, provided: "Subdivision (14)(B) of

Section 12, subdivision (a)(1)(B) of Section 16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011."

## RESEARCH REFERENCES

**U. Ark. Little Rock L. Rev.** Survey of Legislation, 2003 Arkansas General Assembly, Education Law, Income Tax Computation, 26 U. Ark. Little Rock L. Rev. 381.

**6-84-113. Liberal construction.**

This chapter shall be liberally construed to comply with the requirements of 26 U.S.C. § 529 as in effect on January 1, 2011.

**History.** Acts 1999, No. 996, § 12; 2003, No. 515, § 1; 2007, No. 218, § 8; 2011, No. 787, § 8.

**Amendments.** The 2007 amendment substituted “January 1, 2007” for “February 1, 2003.”

The 2011 amendment substituted “January 1, 2011” for “January 1, 2007.”

**Effective Dates.** Acts 2011, No. 787, § 36, provided: “Subdivision (14)(B) of Section 12, subdivision (a)(1)(B) of Section

16, Section 17, Section 20, and Section 35 shall be effective for tax years beginning on and after January 1, 2010. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, subdivision (14)(A) of Section 12, Sections 13, 14, 15, subdivisions (a)(1)(A) and (a)(2) of Section 16, Sections 18, 19, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 shall be effective for tax years beginning on and after January 1, 2011.”

**6-84-114. Aspiring Scholars Matching Grant Program.**

(a) The Section 529 Plan Review Committee shall develop and implement a pilot program to be known as the “Aspiring Scholars Matching Grant Program” that uses available administrative funds to match a contribution made into an account for a designated beneficiary under this subchapter.

(b)(1) An advisory committee shall advise the Section 529 Plan Review Committee on the development and implementation of the Aspiring Scholars Matching Grant Program.

(2) The advisory committee shall consist of three (3) members as follows:

(A) One (1) member appointed by the Chair of the Senate Committee on Education;

(B) One (1) member appointed by the Chair of the House Committee on Education; and

(C) One (1) member appointed by the Governor.

(c) An Arkansas Tax-Deferred Tuition Savings Program account shall be exempt for purposes of determining eligibility for transitional employment assistance, Medicaid, and food stamps, provided that the federal rules for these programs permit such an exemption.

**History.** Acts 2007, No. 597, § 1.

## CHAPTER 85

## ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM

## SUBCHAPTER.

1. ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM — PART 1.
2. ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM — PART 2.

**A.C.R.C.** Acts 2009, Nos. 605 and 606, § 7, was repealed by Acts 2010, Nos. 265 and 294, § 19.

## SUBCHAPTER 1 — ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM — PART 1

## SECTION.

- 6-85-101. Legislative findings and declarations of public necessity.
- 6-85-102. Creation.
- 6-85-103. Applicability — Expiration.
- 6-85-104. Definitions.
- 6-85-105. Authority of Department of Higher Education.
- 6-85-106. Eligibility.

## SECTION.

- 6-85-107. Duration — Amount.
- 6-85-108. Nursing school eligibility.
- 6-85-109. Priority for teaching commitment.
- 6-85-110. Teaching requirements.
- 6-85-111. End-of-course assessment requirements.

**Effective Dates.** Acts 2009, Nos. 605 and 606, § 27: March 25, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the people of the State of Arkansas overwhelmingly approved the establishment of lotteries at the 2008 General Election; that lotteries will provide funding for scholarships to the citizens of this state; that the failure to immediately implement this act will cause a reduction in lottery proceeds that will harm the educational and economic success of potential students eligible to receive scholarships under the act; and that the state lotteries should be implemented as soon as possible to effectuate the will of the citizens of this state and implement lottery-funded scholarships as soon as possible. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of

its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1405, § 57: April 9, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the people of the State of Arkansas overwhelmingly approved the establishment of lotteries at the 2008 General Election; that the Eighty-seventh General Assembly adopted Acts 605 and 606 of 2009 that implemented lotteries and made corresponding revisions to the Arkansas Academic Challenge Scholarship Program; that this bill amends provisions of Acts 605 and 606 of 2009 pertaining to lotteries and the Arkansas Academic Challenge Scholarship Program; and that the failure to immediately implement this act will



cause a reduction in lottery proceeds that will harm the educational and economic success of potential students eligible to receive scholarships under the act. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective

on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

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### **6-85-101. Legislative findings and declarations of public necessity.**

The General Assembly hereby recognizes that taking the proper coursework in high school is essential for success in college. Arkansas high school students who complete the recommended precollegiate or technical preparation core curriculum score significantly higher on standardized preadmission tests and are more likely to be successful in college. Because the State of Arkansas also benefits from the academic success of well-prepared college students, there is hereby established the Arkansas Academic Challenge Scholarship Program, a college scholarship plan to promote academic achievement and encourage academically prepared Arkansas high school graduates to enroll in the state's colleges and universities and to encourage students to enter the field of teaching for the purpose of teaching in subject matter areas of critical teacher shortage or in geographical areas of critical teacher shortage in the state.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-102. Creation.**

There is hereby created and established the Arkansas Academic Challenge Scholarship Program — Part 1.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-103. Applicability — Expiration.**

(a) This subchapter is applicable to students who:

(1) Applied for a scholarship under the Arkansas Academic Challenge Scholarship Program, § 6-82-1001 et seq. [repealed], and maintain eligibility under this subchapter; or

(2) Apply for a scholarship under this subchapter for the academic year 2009-2010, receive the scholarship, and maintain eligibility thereafter.

(b) Except to the extent of the award amount under § 6-85-107(b)(2), a recipient of a scholarship under this subchapter shall not receive an

additional scholarship under the Arkansas Academic Challenge Scholarship Program — Part 2, § 6-85-201 et seq.

(c) This subchapter will expire on June 30, 2015.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-104. Definitions.**

As used in this subchapter:

(1) “Approved institution” means an institution of higher education approved by the Department of Higher Education to participate in the Arkansas Academic Challenge Scholarship Program that is:

(A) A state-supported institution of higher education;

(B) A private, nonprofit institution of higher education with its primary headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds; or

(C) A nursing school with its primary headquarters located in Arkansas that is eligible to participate in Title IV federal student aid programs and has been;

(2) “Eligible student” means any student who:

(A) Meets the criteria set out by this subchapter; and

(B) Is deemed to be eligible by rules authorized by this subchapter and promulgated by the Department of Higher Education;

(3) “Financial need” means the family income of program applicants as determined by the Department of Higher Education through evaluation of program applications and supporting documentation;

(4)(A) “Full-time undergraduate student” means a resident of Arkansas who attends an approved institution and who is enrolled for at least twelve (12) credit hours the first semester and fifteen (15) credit hours thereafter or the equivalent, as defined by the Department of Higher Education, in a program of study that leads to or is creditable toward a baccalaureate degree, an associate degree in nursing, or a nursing school diploma.

(B) A recipient receiving an Arkansas Academic Challenge Scholarship for the eighth semester shall not be required to be enrolled in fifteen (15) hours and shall be considered a “full-time undergraduate student” if the recipient is enrolled in the appropriate number of course credit hours to earn a degree or diploma at the end of that semester;

(5) “Recipient” means an applicant awarded a scholarship funded through the program;

(6) “Tuition” means charges levied for attendance at an approved institution, including mandatory fees charged to all full-time undergraduate students by an approved institution; and

(7) “Unemancipated child” means a dependent child as defined by the United States Department of Education for student aid purposes.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-105. Authority of Department of Higher Education.**

(a) The Department of Higher Education is authorized by this subchapter to develop and promulgate rules for the administration of the Arkansas Academic Challenge Scholarship Program, consistent with the purposes and requirements of this subchapter.

(b) The rules shall include student eligibility criteria based on the provisions of this subchapter, the method for selecting scholarship recipients, rules for determining continuing eligibility, procedures for making payment to recipients, and other administrative procedures that may be necessary for the implementation and operation of the program.

(c) Until the end of fiscal year 2011, the Department of Higher Education is authorized to expend each year for data processing and other administrative costs of this program up to one and five-tenths percent (1.5%) of the amount appropriated for the programs.

(d) Applicants must certify that they are drug-free and must pledge in writing on the application form to refrain from the use or abuse of illegal substances in order to maintain eligibility for this program.

(e)(1) The Department of Education and the Department of Higher Education are directed to develop appropriate informational materials on the Arkansas Academic Challenge Scholarship Program and to ensure their distribution to Arkansas students in grades seven through twelve (7-12) each year as part of the packet of materials on precollegiate preparation distributed by the Department of Education as mandated by § 6-61-217.

(2) The distribution of information shall be accomplished through the collaboration of school counselors and other appropriate school personnel.

(f) The Director of the Department of Higher Education is authorized to review and evaluate the operation of the program with regard to eligibility criteria and size of the scholarship award to ensure that the program's operation meets the intent of this subchapter.

(g) The Department of Higher Education is authorized to determine the necessary procedures for the awarding of scholarships should the number of eligible applicants exceed the funds available.

(h) The Department of Higher Education shall report to the General Assembly annually regarding the implementation of the provisions of this subchapter.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.



**6-85-106. Eligibility.**

(a) Eligibility for the Arkansas Academic Challenge Scholarship Program is based on the criteria under this section and rules promulgated under this subchapter by the Department of Higher Education.

(b) An applicant is eligible for an award from this program if the applicant meets all of these criteria:

- (1) The applicant graduated from an Arkansas high school;
- (2) The applicant has been a resident of the State of Arkansas for at least twelve (12) months before graduation from an Arkansas high school, and the applicant's parent or guardian has maintained Arkansas residency for the same period of time;

(3) The applicant is a citizen of the United States or is a lawful permanent resident;

(4) The applicant is accepted for admission at an approved institution as a full-time first-time freshman as defined by the Department of Higher Education and enrolls in an approved institution within twelve (12) months of the applicant's high school graduation;

(5)(A)(i) Except as provided in subdivision (b)(5)(B) of this section, the applicant has successfully completed the core curriculum established by the State Board of Education and the Arkansas Higher Education Coordinating Board under § 6-61-217.

(ii) An applicant who graduates from an Arkansas high school on or before December 31, 2009, and who meets the provisions of subdivisions (b)(1)-(4) of this section but who has not completed the core curriculum defined in this subdivision (b)(5)(A) by the end of the senior year of high school due to the unavailability of the courses in the applicant's high school shall have a grace period of twelve (12) months from the date of high school graduation in which to make up any course deficiencies required for program eligibility.

(B) An applicant who graduates from an Arkansas high school after December 31, 2009, shall have:

(i) Successfully completed the Smart Core curriculum as established by the Department of Education; and

(ii)(a) Demonstrated proficiency in the application of knowledge and skills in reading and writing literacy and mathematics by passing the end-of-course assessments developed by the Department of Education.

(b) "End-of-course" assessments means those assessments defined in § 6-15-419.

(C) All applicants shall have achieved:

(i) Either:

(a) A grade point average of 3.0 on a 4.0 scale in the set of core curriculum courses if enrolling at an approved four-year institution; or

(b) A grade point average of 2.75 on a 4.0 scale in the set of core curriculum courses if enrolling at an approved two-year institution; and

(ii) A minimum composite score of nineteen (19) or higher on the American College Test or the equivalent as defined by the Department of Higher Education.

(D)(i) The grade point average requirements of subdivision (b)(5)(C) of this section may be reduced to no lower than a 2.5 on a 4.0 scale by a rules change by the Department of Higher Education if it is determined by the Department of Higher Education, based on the most recent evaluation of the program's operation, that the change to a 3.0 or 2.75 grade point average on a 4.0 scale would unduly reduce the number of low-income or disadvantaged students who would otherwise be eligible for the program.

(ii) At the Department of Higher Education's discretion, the Department of Higher Education may make the reduction for admissions to institutions with a high percentage of students receiving full Pell Grants upon petition to the Department of Higher Education by the institution.

(E)(i) The Department of Higher Education may develop selection criteria through program rules that combine an applicant's American College Test or equivalent score and grade point average in the core curriculum into a selection index.

(ii) Notwithstanding the provisions of subdivision (b)(5)(D) of this section, this selection index shall be employed as an alternative selection process for applicants who achieve a grade point average higher than 2.75 if attending an approved two-year institution or 3.0 if attending a four-year institution on a 4.0 scale in the set of core curriculum courses defined in subdivision (b)(5)(A) of this section or for applicants who have an American College Test composite or equivalent score greater than nineteen (19);

(6)(A) An applicant shall demonstrate financial need as defined by the Department of Higher Education.

(B) The Department of Higher Education shall use the following criteria in calculating financial need for applicants who graduated from an Arkansas high school after December 31, 2000, but before December 31, 2004:

(i) An applicant whose family includes one (1) unemancipated child shall have average family adjusted gross income over the previous two (2) years not exceeding fifty thousand dollars (\$50,000) per year at the time of application to the program;

(ii) An applicant whose family includes two (2) unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding fifty-five thousand dollars (\$55,000) per year at the time of application to the program;

(iii) An applicant whose family includes three (3) or more unemancipated children shall have average family adjusted gross income over the previous two (2) years not exceeding sixty thousand dollars (\$60,000) per year at the time of application to the program, plus for families with more than three (3) unemancipated children, an additional five thousand dollars (\$5,000) per year for each additional child; and



(iv) Any applicant whose family includes more than one (1) unemancipated child enrolled full time at an approved institution shall be entitled to an additional ten thousand dollars (\$10,000) of adjusted gross income for each additional unemancipated child enrolled full time at an approved institution when the Department of Higher Education calculates financial need.

(C) In calculating financial need for applicants who graduate from an Arkansas high school after December 31, 2006, a Free Application for Federal Student Aid or a subsequent application required by the United States Department of Education for federal financial aid shall be filed by the applicant or other proof of family income as defined by the Department of Higher Education. The following criteria shall be used:

(i) An applicant whose family includes one (1) unemancipated child shall have an average family adjusted gross income over the previous two (2) years not exceeding sixty-five thousand dollars (\$65,000) per year at the time of application to the program;

(ii) An applicant whose family includes two (2) unemancipated children shall have an average family adjusted gross income over the previous two (2) years not exceeding seventy thousand dollars (\$70,000) per year at the time of application to the program;

(iii) An applicant whose family includes three (3) or more unemancipated children shall have an average family adjusted gross income over the previous two (2) years not exceeding seventy-five thousand dollars (\$75,000) per year at the time of application to the program, plus for families with more than three (3) unemancipated children, an additional five thousand dollars (\$5,000) per year for each additional child; and

(iv) Any applicant whose family includes more than one (1) unemancipated child enrolled full time at an approved institution of higher education shall be entitled to an additional ten thousand dollars (\$10,000) of adjusted gross income for each additional unemancipated child enrolled full time at an approved institution of higher education when the Department of Higher Education calculates financial need.

(c)(1) The Arkansas Higher Education Coordinating Board shall have the authority to increase these financial need family income limitations if sufficient additional funds become available.

(2) Financial need criteria necessary for the selection of recipients, including those defined as emancipated or independent by federal student aid regulations, shall be established through rules issued by the Department of Higher Education.

(d) Recipients of Arkansas Governor's Distinguished Scholarships are prohibited from receiving Arkansas Academic Challenge Scholarships.

(e) As an additional component to the Arkansas Academic Challenge Scholarship Program:

(1) Each applicant for the scholarship shall agree that for each year the scholarship is awarded he or she may volunteer to serve as a



literacy tutor for a minimum of twenty (20) clock hours each semester in a public school or a faith-based educational institution serving students in prekindergarten through grade six (preK-6);

(2) A recipient who agrees to volunteer as a literacy tutor:

(A) Shall complete the prerequisite training in literacy and college readiness skills provided under § 6-85-107(c) before he or she begins tutoring;

(B) May receive college credit for the tutoring as determined by the institution of higher education where the recipient is enrolled; and

(C) Shall receive the prerequisite training in literacy and college readiness from an accredited Arkansas institution of higher education based on training modules developed by the Department of Education; and

(3) An enrolled college student who participates in the tutorial program and fails to meet the Arkansas Academic Challenge Scholarship Program academic eligibility requirement for the fall or spring semester shall be given the probationary opportunity during the subsequent spring or summer term to continue his or her education and improve academic performance prior to losing scholarship funding in the subsequent semester.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-107. Duration — Amount.**

(a) A recipient who graduated from high school after December 31, 2000, shall receive a scholarship for one (1) academic year renewable for up to three (3) additional academic years if the recipient meets the following continuing eligibility criteria:

(1) The recipient earns a cumulative grade point average of 2.75 or higher based on a 4.0 scale at an approved institution;

(2) The recipient has completed a total of at least twenty-seven (27) hours during the first full academic year and a total of at least thirty (30) hours per academic year thereafter; and

(3) The recipient meets any other continuing eligibility criteria established by the Department of Higher Education.

(b)(1) Beginning with awards made for the 2005-2006 academic year and thereafter for recipients who graduated from high school after December 31, 2001, the amount of the annual scholarship awarded to each recipient shall be graduated as follows:

(A) A recipient in his or her freshman year shall be awarded an amount not to exceed two thousand five hundred dollars (\$2,500);

(B) A recipient in his or her sophomore year shall be awarded an amount not to exceed two thousand seven hundred fifty dollars (\$2,750);

(C) A recipient in his or her junior year shall be awarded an amount not to exceed three thousand dollars (\$3,000); and

(D) A recipient in his or her senior year shall be awarded an amount not to exceed three thousand five hundred dollars (\$3,500).

(2) A recipient under this subchapter shall receive the greater of the award under subdivision (b)(1) of this section or the award amount for the same academic year for a full-time recipient under the Arkansas Academic Challenge Scholarship Program — Part 2, § 6-85-201 et seq.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### 6-85-108. Nursing school eligibility.

(a)(1) The General Assembly recognizes that the State of Arkansas is experiencing a critical shortage of nurses.

(2) It is the intent of this section to allow the Department of Higher Education the opportunity to include associate degree granting and diploma schools of nursing in the Arkansas Academic Challenge Scholarship Program under specific circumstances.

(b) The department shall make awards to applicants attending either an associate degree or diploma school preparing registered nurses that is approved by the Arkansas State Board of Nursing and which would not otherwise be an approved institution if:

(1) The nursing school is specifically recognized by the department as a school of nursing eligible to participate in the Arkansas Academic Challenge Scholarship Program; and

(2) The recipient meets continuing eligibility requirements in § 6-85-106.

(c) The scholarships awarded to recipients under this section shall be subject to § 6-85-105(g).

(d) The Arkansas Higher Education Coordinating Board and the department shall promulgate rules necessary for the implementation of this section.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, § 1. deleted former (b)(1) and redesignated the remaining subdivisions accordingly.

**Amendments.** The 2009 amendment

### 6-85-109. Priority for teaching commitment.

(a) During times of funding shortages under the Arkansas Academic Challenge Scholarship Program, the Department of Higher Education shall give a priority to awards to applicants meeting all eligibility requirements under the program who agree to accept a forgivable loan, as set forth in this section, in lieu of a scholarship and who agree to teach, as required under § 6-85-110, in a:

(1) Subject matter area designated by the Department of Education as having a critical shortage of teachers; or

(2) Geographical area of the state designated by the Department of Education as having a critical shortage of teachers.

(b) The Department of Higher Education shall make awards under this subchapter as follows:

(1) First, to applicants who agree to the provisions of this section; and

(2) Then to applicants eligible under § 6-85-106(b).

(c) Forgivable loans awarded under this section shall be paid from appropriations to the program.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-110. Teaching requirements.**

(a)(1) At the beginning of the first school year in which a recipient of a forgivable loan under § 6-85-109 is eligible for employment as a licensed teacher, that recipient shall begin to render service as a licensed teacher in a public school district in the state:

(A) In a subject matter area designated by the Department of Education as having a critical shortage of teachers if the recipient's award was made under § 6-85-109(a)(1); or

(B) In a geographical area of the state designated by the Department of Education as having a critical shortage of teachers if the recipient's award was made under § 6-85-109(a)(2).

(2)(A) Any recipient receiving a forgivable loan under § 6-85-109 who received four (4) annual awards or the equivalent of four (4) annual awards shall render four (4) years' service as a licensed teacher.

(B) Any person who received a forgivable loan under § 6-85-109 in an amount less than four (4) annual awards or the equivalent of four (4) annual awards shall render one (1) year's service as a licensed teacher for each year that the person received a full-time student forgivable loan or for the number of academic hours equivalent to one (1) school year, as determined by the Department of Higher Education, for which a part-time student received a forgivable loan.

(b) Any person receiving a forgivable loan shall execute a note made payable to the Department of Higher Education for an amount equal to the scholarship award each semester that shall bear interest at a rate to be determined by the Department of Higher Education and set forth in the note after completion of the program or immediately after termination of the forgivable loan, whichever is earlier.

(c) Any person failing to complete a program of study that will enable the person to become a licensed teacher shall begin repaying the note according to the terms of the note for the sum of all forgivable loan awards made to that person less the corresponding amount of any awards for which service has been rendered.

(d)(1) Except as provided in subdivision (d)(2) of this section, any person failing to complete the teaching obligation as required by this subchapter shall become immediately liable to the Department of Higher Education for the sum of all forgivable loan awards made to that



person less the corresponding amount of any awards for which service has been rendered according to the note’s terms.

(2) The Department of Higher Education may defer payment on the note if an employment position is not immediately available upon a teacher’s completion of licensure requirements or for other just cause as determined by the Department of Education.

(3) After the period of deferral, the person shall begin or resume teaching duties as required under this section or shall become liable to the Department of Higher Education under this section.

(e) If a claim for payment under this section is placed in the hands of an attorney for collection, the obligor shall be liable for an additional amount equal to a reasonable attorney’s fee.

(f) The obligations made by the recipient of a forgivable loan under § 6-85-109 and this section shall not be voidable by reason of the age of the student at the time of receiving the forgivable loan award.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

**6-85-111. End-of-course assessment requirements.**

The Department of Higher Education may recognize a sub-score of nineteen (19) or higher in the applicable subject area on the American College Test as meeting the requirements for passing end-of-course assessments under the Arkansas Academic Challenge Scholarship Program and the Arkansas Governor’s Scholars Program for a student who:

- (1) Has not had an opportunity to take an end-of-course assessment;
- (2) Has not passed the end-of-course assessment; or
- (3) Is attending a private school or home school.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

**SUBCHAPTER 2 — ARKANSAS ACADEMIC CHALLENGE SCHOLARSHIP PROGRAM — PART 2**

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## SECTION.

search by the Department of Higher Education.

6-85-218. [Repealed.]

6-85-219. Reports to legislative committees.

## SECTION.

6-85-220. Arkansas Lottery Commission Legislative Oversight Committee — Annual report.

6-85-221. Scholarship hold.

**A.C.R.C. Notes.** Acts 2009, No. 1416, § 17, provided: "HIGHER EDUCATION GRANTS FUND ACCOUNT SET-ASIDE. Immediately upon the effective date of this act, the Director of the Department of Higher Education shall set-aside in reserve twenty million dollars (\$20,000,000), or so much thereof as is available, of the un-obligated balance in the Department of Higher Education Grants Fund Account, for the sole purpose of funding lottery scholarship and grant programs administered by the department in the event the department determines that less than a sufficient amount of moneys are available from the net lottery proceeds to fund such scholarships or grants or both.

"Any moneys set-aside in the Department of Higher Education Grants Fund Account that are utilized to fund scholarships or grants or both as authorized herein shall be reimbursed by the Arkansas Lottery Commission from the net lottery proceeds and credited to the Department of Higher Education Grants Fund Account."

Acts 2011, No. 1222, § 1, provided:

"(a) The Department of Higher Education, the Department of Education, and the Bureau of Legislative Research jointly shall conduct a study of the fairness of the distribution of Arkansas Academic Challenge Scholarships funded by net proceeds of the Arkansas Lottery.

"(b) The study shall include a review of scholarship data for the 2010-2011 and 2011-2012 academic years concerning:

"(1) The race, gender, county of residence, transcript indication of learning disability, and financial need of scholarship applicants;

"(2) The distribution of scholarships by race, gender, and county of residence of scholarship recipients;

"(3) The number and amount of scholarships awarded to students at each two-year college;

"(4) The number and amount of scholarships awarded to students at each four-year university;

"(5) The barriers to applying for the scholarships encountered by students;

"(6) The reasons that students did not qualify for the scholarships; and

"(7) The number of students with an indication of a learning disability on the applicant's transcript who applied for the scholarship and either received or did not receive a scholarship.

"(c) The Department of Higher Education, the Department of Education, and the bureau shall:

"(1) Seek participation in the study from leaders of:

"(A) Two-year colleges;

"(B) Four-year colleges and universities;

"(C) High school guidance counselors; and

"(D) Academic coaches employed by the Department of Higher Education;

"(2) Conduct two (2) or more public hearings for the study;

"(3) Provide progress reports of the study to the Arkansas Lottery Commission Legislative Oversight Committee on September 1, 2011, December 1, 2011, and March 1, 2012; and

"(4) By June 1, 2012, provide a final report to the Arkansas Lottery Commission Legislative Oversight Committee."

**Effective Dates.** Acts 2009, Nos. 605 and 606, § 27: Mar. 25, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the people of the State of Arkansas overwhelmingly approved the establishment of lotteries at the 2008 General Election; that lotteries will provide funding for scholarships to the citizens of this state; that the failure to immediately implement this act will cause a reduction in lottery proceeds that will harm the educational and economic success of potential students eligible to



receive scholarships under the act; and that the state lotteries should be implemented as soon as possible to effectuate the will of the citizens of this state and implement lottery-funded scholarships as soon as possible. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2009, No. 1405, § 57: April 9, 2009. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that the people of the State of Arkansas overwhelmingly approved the establishment of lotteries at the 2008 General Election; that the Eighty-seventh General Assembly adopted Acts 605 and 606 of 2009 that implemented lotteries and made corresponding revisions to the Arkansas Academic Challenge Scholarship Program; that this bill amends provisions of Acts 605 and 606 of 2009 pertaining to lotteries and the Arkansas Academic Challenge Scholarship Program; and that the failure to immediately implement this act will cause a reduction in lottery proceeds that will harm the educational and economic success of potential students eligible to receive scholarships under the act. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2011, No. 207, § 31: Mar. 8, 2011. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that increasing the number of Arkansans obtaining postsecondary credentials is critical to the economic health of the state and its citizens; that the Arkansas Scholarship Lot-

tery provides the opportunity for tens of thousands of Arkansans to obtain postsecondary education; that the deadline for scholarship applications is June 1; that the financial integrity of the Arkansas Scholarship Lottery is critical to the continued existence of the scholarships; that the reporting and research provisions of this act are critical for timely decisions by the General Assembly on scholarship awards; and that this act is immediately necessary because the Department of Higher Education must promulgate rules to implement this act well before June 1, 2011, in order to provide eligible Arkansans the opportunity to apply for the scholarship. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto."

Acts 2011, No. 1180, § 4: Apr. 4, 2011. Emergency clause provided: "It is found and determined by the General Assembly of the State of Arkansas that increasing the number of Arkansans who obtain postsecondary credentials is critical to the economic health of the state and its citizens; that the Arkansas Scholarship Lottery provides the opportunity for tens of thousands of Arkansans to obtain postsecondary education; that the deadline for scholarship applications is June 1; that the financial integrity of the Arkansas Scholarship Lottery is critical to the continued existence of the scholarships; that the reporting and research provisions of this act are critical for timely decisions by the General Assembly on scholarship awards; and that this act is immediately necessary because the Department of Higher Education must promulgate rules to implement this act well before June 1, 2011, in order to provide eligible Arkansans the opportunity to apply for the scholarship. Therefore, an emergency is declared to exist, and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is



neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

Acts 2011, No. 1195, § 3: Apr. 4, 2011. Emergency clause provided: “It is found and determined by the General Assembly of the State of Arkansas that increasing the number of Arkansans who obtain postsecondary credentials is critical to the economic health of the state and its citizens; that the Arkansas Scholarship Lottery provides the opportunity for tens of thousands of Arkansans to obtain postsecondary education; that the continual evaluation of the Arkansas Academic Challenge Scholarship Program and of all state-supported scholarship and grant programs by the General Assembly is critical for maximizing the benefits to the state and its citizens of state financial aid for higher education and meeting state objectives for higher education; that accountability and transparency in the implementation of state-supported schol-

arship programs are fundamental to a proper evaluation of the programs; that the collection of data and access to that data by the Bureau of Legislative Research are necessary to ensure proper legislative oversight for that accountability and transparency; and that this act is immediately necessary for the Department of Higher Education to begin developing the direct read and report only access to the data warehouse of the Arkansas Higher Education Information System, and for the Arkansas Higher Education Coordinating Board to promulgate rules to implement this act. Therefore, an emergency is declared to exist and this act being immediately necessary for the preservation of the public peace, health, and safety shall become effective on: (1) The date of its approval by the Governor; (2) If the bill is neither approved nor vetoed by the Governor, the expiration of the period of time during which the Governor may veto the bill; or (3) If the bill is vetoed by the Governor and the veto is overridden, the date the last house overrides the veto.”

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### 6-85-201. Findings.

The General Assembly finds that:

(1) In approving Arkansas Constitution, Amendment 87, the citizens of this state provided an opportunity to increase the resources provided for higher education scholarships and grants through a state lottery; and

(2) The net proceeds from the state lottery, in addition to existing nonlottery state educational resources for scholarships and grants, will:

(A) Encourage associate degree recipients and university juniors to complete a baccalaureate degree;

(B) Provide opportunities for students more than one (1) year out of high school to enter or reenter higher education;

(C) Provide an improved system of communication to students and parents about opportunities for higher education scholarships and grants in Arkansas; and

(D) Provide an evaluation and analysis of all state funding for scholarships and grants and how the funding advances the state’s goals for higher education.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

**6-85-202. Creation.**

The Arkansas Academic Challenge Scholarship Program — Part 2 is hereby created and established.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

**6-85-203. Applicability.**

(a) This subchapter is applicable to students who apply for a scholarship under the Arkansas Academic Challenge Scholarship Program — Part 2 for the academic year 2010-2011 and each academic year thereafter.

(b) Except to the extent of an award amount under § 6-85-107(b)(2), a recipient of a scholarship under the Arkansas Academic Challenge Scholarship Program — Part 1, § 6-85-101 et seq., is not eligible for an additional scholarship under this subchapter.

(c) Recipients of Arkansas Governor's Distinguished Scholarships are prohibited from receiving Arkansas Academic Challenge Scholarships under this subchapter.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

**6-85-204. Definitions.**

As used in this subchapter:

- (1) "ACT" means the ACT Assessment administered by ACT, Inc.;
- (2) "ACT equivalent" means the Scholastic Aptitude Test (SAT), COMPASS, Accuplacer, or other nationally normed test that is correlated with the ACT and approved by the Department of Higher Education for use by institutions of higher education to assess a person's college readiness;
- (3) "Approved institution of higher education" means an institution of higher education approved by the Department of Higher Education to participate in the Arkansas Academic Challenge Scholarship Program — Part 2 and that is:
  - (A) A state-supported two-year or four-year college or university;
  - (B) A private, nonprofit two-year or four-year college or university with its primary headquarters located in Arkansas that is eligible to receive Title IV federal student aid funds; or
  - (C) An approved school of nursing, subject to the provisions of § 6-85-213(c);
- (4) "Approved school of nursing" means a school of nursing with its primary headquarters located in Arkansas that:
  - (A) Prepares students as registered nurses;
  - (B) Grants nursing diplomas;
  - (C) Is eligible to participate in Title IV federal student aid programs;
  - (D) Is approved by the Arkansas State Board of Nursing;

(E) Has been approved by the Department of Higher Education as eligible to participate in the Arkansas Academic Challenge Scholarship Program; and

(F) Is not a two-year or four-year college or university;

(5) "Continuously enrolled" means:

(A) For a traditional student, he or she successfully completes at an approved institution of higher education twenty-seven (27) semester hours in the first academic year as a recipient and successfully completes thirty (30) semester hours each academic year thereafter, not including any summer term;

(B) For a full-time nontraditional student, he or she successfully completes at an approved institution of higher education at least fifteen (15) semester hours of courses in consecutive semesters, not including a summer term;

(C) For a full-time current achiever student, he or she:

(i) Before receiving a scholarship under this subchapter, successfully completed at least twelve (12) semester hours of courses in consecutive semesters, not including a summer term; and

(ii) As a recipient of a scholarship under this subchapter, successfully completes at an approved institution of higher education at least fifteen (15) semester hours of courses in consecutive semesters, not including a summer term; and

(D) For a part-time nontraditional student, he or she successfully completes at an approved institution of higher education at least six (6) semester hours of courses in consecutive semesters, not including a summer term;

(6) "Current achiever student" means a student:

(A) Who meets the requirements of § 6-85-209; and

(B) Is not a traditional student or a nontraditional student;

(7) "End-of-course assessment" means an examination taken at the completion of a course of study to determine whether a student demonstrates attainment of the knowledge and skills necessary for mastery of that subject;

(8) "General Educational Development test" means a test measuring the knowledge and skills usually learned in high school that is administered by a state-approved institution or organization;

(9) "High school grade point average" means the numbered grade average on a student's high school transcript calculated:

(A) For a traditional student, using the first seven (7) of the last eight (8) semesters the student completed prior to graduating high school; or

(B) For a nontraditional student, using the last eight (8) semesters the student completed before graduating high school;

(10) "Lawful permanent resident" means a non-United States citizen who resides in the United States under a legally recognized and lawfully recorded permanent residence and who may receive state public benefits under 8 U.S.C. § 1622;



(11) “Net proceeds from the state lottery” means lottery proceeds for one (1) fiscal year less the operating expenses defined in § 23-115-103 for the fiscal year;

(12) “Nonlottery state educational resources” means the funding available for state-supported scholarships and grants for students enrolled in postsecondary education in this state that:

(A) The General Assembly makes available from general revenue to the Higher Education Grants Fund Account without consideration of the availability of proceeds from the state lottery; and

(B) The Department of Finance and Administration estimates is available for distribution to the Higher Education Grants Fund Account during a fiscal year from the Educational Excellence Trust Fund;

(13) “Nontraditional student” means a student who is not a traditional student or a current achiever student;

(14) “Personally identifiable student data” means any information that, alone or in combination with other available information, is linked or linkable to a specific student that would allow a reasonable person in the student’s school community to identify the student with reasonable certainty;

(15) “Postsecondary grade point average” means the cumulative numbered grade average for college credit courses as calculated using a 4.0 scale;

(16) “Qualified certificate program” means a program:

(A) That is offered by an approved institution of higher education;

(B) For which credit hours are awarded that are creditable toward an associate degree or baccalaureate degree; and

(C) Recognized by the United States Department of Education for financial aid purposes;

(17) “Recipient” means an applicant awarded a scholarship funded through the program;

(18) “Scholarship hold” means the temporary suspension of a scholarship award to a traditional student under this subchapter approved by the Department of Higher Education under § 6-85-221;

(19) “State-supported student financial assistance” means a state-supported scholarship, grant, tuition waiver, or tuition reimbursement funded with state funds or net proceeds from the state lottery awarded by:

(A) The Department of Higher Education; or

(B) A scholarship or grant awarded by an institution of higher education in this state in whole or in part by state funds, including without limitation:

(i) Scholarships awarded on the basis of entrance exam scores or high school academic achievement;

(ii) Tuition waivers based on age, military service, occupation, or other factors;

(iii) Out-of-state tuition waivers for undergraduate students from contiguous states in close proximity to a college or university;

(iv) Scholarships for transfers from two-year institutions;

(v) Performance scholarships for band, musical performing groups, arts, theater, forensics, and similar activities that are not awarded on the basis of entrance exam scores or high school academic achievement; and

(vi) Any other publicly funded program under which students are not charged or are reimbursed by the institution of higher education for tuition, fees, books, or other costs of attendance;

(20) "Successfully completed" means that a student completed a course at an institution of higher education and received the equivalent of a minimum letter grade of "D";

(21)(A) "Supplant" means that the net proceeds from the state lottery are used in place of, not in addition to, state nonlottery educational resources provided for state-supported student financial assistance for a specified fiscal year.

(B) Supplanting does not occur if the General Assembly provided the state nonlottery educational resources as if the lotteries under the Arkansas Scholarship Lottery Act, § 23-115-101 et seq., do not exist; and

(22)(A) "Traditional student" means a student who, beginning with the 2010-2011 academic year:

(i) Will enter postsecondary education as a full-time first-time freshman on or before the fall semester of the academic year that begins immediately following the student's graduation from high school; and

(ii) Remains continuously enrolled as a full-time student.

(B) "Traditional student" includes a student who otherwise meets this definition but delays entering postsecondary education under a scholarship hold approved by the Department of Higher Education.

(C) "Traditional student" does not include a current achiever student.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, §§ 2, 3; 2010, No. 265, § 1; 2010, No. 294, § 1; 2011, No. 207, §§ 4, 5.

**Amendments.** The 2009 amendment added (3)(C), (16), and (17); and made related changes.

The 2010 amendment by identical acts Nos. 265 and 294 inserted present (5), (6), and (19) and redesignated the remaining subdivisions accordingly; added (9)(B); inserted "For a traditional student" in (9)(A); rewrote (11); substituted "postsecondary" for "two year and four year institutions of higher" in (12); added "or a

current achiever student" at the end of (13); inserted "student's" preceding "school" in (14); deleted "that is" from the end of the introductory language of (16); added "That is" at the beginning of (16)(A); in (16)(B), deleted "Shorter in duration than an associate degree" and inserted "or baccalaureate degree"; added (20)(B); and inserted "beginning with the 2010-2011 academic year" in (20)(A).

The 2011 amendment inserted "successfully" throughout subdivision (5); inserted (18) and (20) and redesignated the remaining subdivisions accordingly; and rewrote present (22).

**6-85-205. Authority and duties of the Department of Higher Education.**

(a)(1) The Department of Higher Education shall develop and promulgate rules for the administration of the Arkansas Academic Challenge Scholarship Program consistent with the purposes and requirements of this subchapter.

(2) The Arkansas Lottery Commission Legislative Oversight Committee shall perform the function of the Legislative Council required by law for the review of a proposed rule or proposed change to a rule promulgated by the Department of Higher Education under this subchapter.

(b) The rules developed and promulgated by the Department of Higher Education under this section shall pertain to:

(1) Student eligibility criteria based on this subchapter;

(2) The method for selecting scholarship recipients and for determining continuing eligibility;

(3) The procedures for making payment to an approved institution of higher education where the recipient is enrolled; and

(4) Other administrative procedures that may be necessary for the implementation and operation of the program.

(c) The Department of Higher Education shall implement a complete financial aid management system that uses a single application form that may be accessed as a web-based application for all Arkansas state-supported student financial assistance administered by the Department of Higher Education, including:

(1) Scholarships awarded under this subchapter or other state law that are funded with net proceeds from the state lottery; and

(2) Scholarships, grants, or other financial assistance for higher education students funded with nonlottery state educational resources.

(d)(1) The Department of Education and the Department of Higher Education are directed to develop appropriate informational materials on the Arkansas Academic Challenge Scholarship Program and to ensure distribution of the materials to Arkansas students in grade seven through grade twelve (7-12) each year as a part of the packet of materials on precollegiate preparation distributed by the Arkansas Higher Education Coordinating Board under § 6-61-217 and by the Department of Education under the Higher Education Awareness Act of 1993, § 6-5-401 et seq.

(2) The distribution of informational materials under this section shall be accomplished through the collaboration of school counselors and other appropriate public school or Department of Higher Education personnel.

(3) The Department of Higher Education shall provide a copy of the informational materials developed under this section to the Arkansas Lottery Commission Legislative Oversight Committee for its review.

(e) The Director of the Department of Higher Education shall review and evaluate the operation of the program with regard to eligibility



criteria and size of the scholarship award to ensure that the program's operation meets the intent of this subchapter.

(f) The Department of Higher Education may determine the necessary procedures for the awarding of scholarships if the number of eligible applicants exceeds the funds available based on the criteria under this subchapter.

(g)(1)(A) By July 15 of each year, the Director of the Department of Higher Education shall provide a report to the Arkansas Lottery Commission Legislative Oversight Committee on:

(i) The implementation of this subchapter;

(ii) The number of recipients that either:

(a) Dropped out during the academic year; or

(b) Lost the scholarship during the academic year; and

(iii) Any additional information requested by the Arkansas Lottery Commission Legislative Oversight Committee.

(B) The Arkansas Lottery Commission Legislative Oversight Committee shall include the information reported under this subsection in its annual report to the General Assembly under § 6-85-220.

(2) By August 1 of each year, the Department of Higher Education shall provide to the Arkansas Lottery Commission Legislative Oversight Committee an unaudited financial report on the administration of the Arkansas Academic Challenge Scholarship Program for the fiscal year just ended.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2010, No. 265, §§ 2-4; 2010, No. 294, §§ 2-4.

**Amendments.** The 2010 amendment by identical acts Nos. 265 and 294 rewrote (a)(2); substituted "Arkansas Higher Education Coordinating Board under § 6-61-217 and by the Department of Education

under the Higher Education Awareness Act of 1993, § 6-5-401 et seq." for "Department of Education as required by § 6-61-217" in (d)(1); substituted "informational materials under this section" for "materials" in (d)(2); added (d)(3); added (g)(1)(B); and rewrote (g)(1)(A).

## **6-85-206. Basic eligibility requirements.**

The basic requirements for an applicant to be eligible for an award from the Arkansas Academic Challenge Scholarship Program — Part 2 are:

(1)(A) The applicant has been an Arkansas resident for at least the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education.

(B) If the applicant is less than twenty-one (21) years of age, either the applicant or a parent or guardian of the applicant shall have maintained Arkansas residency for at least the twelve (12) months immediately preceding the date the applicant will enroll in an approved institution of higher education.

(C)(i) To be considered an Arkansas resident, an applicant shall demonstrate residency by evidence deemed sufficient to the Department of Higher Education.

- (ii) Evidence of residency may include without limitation information provided by the applicant on the Free Application for Federal Student Aid or a subsequent application required by the United States Department of Education for federal financial aid;
- (2) The applicant is a citizen of the United States or is a lawful permanent resident;
- (3)(A) The applicant is accepted for admission as a full-time student or part-time student at:
- (i) An approved institution of higher education in a program of study that leads to or is creditable toward:
    - (a) A baccalaureate degree;
    - (b) An associate degree; or
    - (c) A certificate from a qualified certificate program; or
  - (ii) An approved school of nursing in a program of study that leads to a nursing diploma under § 6-85-213.
- (B) A full-time student shall enroll in at least twenty-seven (27) semester hours the first academic year and thirty (30) semester hours per academic year thereafter or the equivalent, as described in this subchapter, or the equivalent as defined by the Department of Higher Education.
- (C) A part-time student shall complete at least six (6) semester hours but less than the minimum number of semester hours for a full-time student, as defined by the Department of Higher Education;
- (4)(A) The applicant has not:
- (i) Earned a baccalaureate degree; or
  - (ii) Completed one hundred thirty (130) semester hours of credit at an institution of higher education.
- (B) An applicant is not eligible for a scholarship to a two-year approved institution of higher education if the applicant has:
- (i) Earned an associate degree; or
  - (ii) Completed sixty-six (66) semester hours of credit at an institution of higher education;
- (5) The applicant does not owe a refund on a federal or state student financial aid grant for higher education;
- (6) The applicant is not in default on a state or federal student financial aid loan for higher education;
- (7) The applicant has not borrowed, as determined by the approved institution of higher education to be attended, in excess of the annual loan limits under the Federal Family Educational Loan Program Systems, William D. Ford Federal Direct Loan Program, Income Contingent Loan Demonstration Program, Federal Stafford Loan Program, Federal Parent Loan for Undergraduate Students Program, or Supplemental Loan for Students Program in the same academic year for which the student has applied for assistance under this subchapter;
- (8) The applicant is not incarcerated at the time of the application for or during the time the applicant receives a scholarship under this subchapter;
- (9) The applicant has complied with United States Selective Service System requirements for registration;

(10) The applicant has completed and submitted to the United States Department of Education a Free Application for Federal Student Aid or a subsequent application required by the United States Department of Education for federal financial aid; and

(11) The applicant certifies that he or she is drug-free and pledges in writing on the application form to refrain from the use or abuse of illegal substances in order to become eligible and maintain eligibility for this program.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, § 4; 2010, No. 265, § 5; 2010, No. 294, § 5; 2011, No. 207, § 6.

**Amendments.** The 2009 amendment rewrote (3)(A).

The 2010 amendment by identical acts Nos. 265 and 294 redesignated former

(1)(B) as (1)(C)(i) and (ii); redesignated part of former (1)(A) as present (1)(B); rewrote (1)(B); and substituted "Evidence of residency may include" for "including" in (1)(C)(ii).

The 2011 amendment redesignated former (4) as (4)(A) and (4)(A)(i); and added (4)(A)(ii) and (4)(B).

### **6-85-207. Additional eligibility requirements for traditional students.**

In addition to the requirements of § 6-85-206, an applicant is eligible as a traditional student if the applicant:

(1)(A) Graduated from an Arkansas public high school and has:

(i) Successfully completed the Smart Core curriculum established by the Department of Education; and

(ii) Either:

(a) Achieved a high school grade point average of at least 2.5; or

(b) Had a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent.

(B) Graduated from an Arkansas public high school before the 2013-2014 school year, but did not complete the Smart Core curriculum, he or she shall have achieved a high school grade point average of at least 2.5 and either:

(i) Have a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or

(ii) Scored proficient or higher on all state-mandated end-of-course assessments, including without limitation end-of-course assessments on:

(a) Algebra I;

(b) Geometry; and

(c) Biology;

(2) Has a disability identified under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq., as it existed on July 1, 2009, and graduated from an Arkansas public high school but did not complete the Smart Core curriculum because the applicant's individualized education program under § 6-41-217 did not require it, achieved a high school grade point average of at least 2.5, and either:

(A) Had a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or



(B) Scored proficient or higher on all state-mandated end-of-course assessments, including without limitation end-of-course assessments on:

- (i) Algebra I;
- (ii) Geometry;
- (iii) Biology; and
- (iv) Beginning with the 2013-2014 school year, literacy; or

(3) Graduated from a private high school, an out-of-state high school, or a home school high school and achieved a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, §§ 5–8; 2010, No. 265, § 6; 2010, No. 294, § 6; 2011, No. 207, § 7.

**Amendments.** The 2009 amendment deleted (1)(B)(ii)(4); in (2), deleted “whether or not 12 the applicant completed the Smart Core curriculum” following “first attempt” and “either” at the end; added present (2)(A); redesignated (2)(A) as (2)(B); rewrote (2)(B), (3)(B)(iv), and (4); and made punctuation changes.

The 2010 amendment by identical acts Nos. 265 and 294, in the introductory language of (2), added “Effective January 1, 2011” at the beginning, inserted “in the year of the applicant’s graduation,” deleted “annually” preceding “identified,” substituted “state-mandated” for “the,” and inserted “for the related course.”

The 2011 amendment deleted former (2) and redesignated the remaining subdivisions accordingly.

### **6-85-208. Additional eligibility requirements for a nontraditional student.**

An applicant is eligible as a nontraditional student if, in addition to the requirements of § 6-85-206, the applicant:

(1) Graduated from an Arkansas public high school and achieved a 2.5 high school grade point average but has not successfully completed at least twelve (12) semester hours of credit of courses under subdivision (2)(B) of this section; or

(2) Graduated from an Arkansas public high school, a private high school, an out-of-state high school, a home school high school, or obtained a General Educational Development certificate and either:

(A) Had a minimum composite score of nineteen (19) on the ACT or the equivalent score on an ACT equivalent; or

(B)(i) Has successfully completed at least twelve (12) semester hours of courses granting three (3) or more hours of credit per course at an institution of higher education and earned a postsecondary grade point average of at least 2.5.

(ii) A course granting less than three (3) hours of credit may be counted toward the twelve (12) semester hours under this subdivision (2)(B) if it is related to a credit course required for a degree.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, §§ 9, 10; 2010, No. 265, § 7; 2010, No. 294, § 7; 2011, No. 207, § 8.

**Amendments.** The 2009 amendment rewrote (b).

The 2010 amendment by identical acts Nos. 265 and 294 deleted (b); inserted

“public” in (1); added present (2); redesignated former (2) and (3) as (2)(A) and (2)(B)(i), respectively; added (2)(B)(ii); and inserted “per course” following “credit” in (2)(B)(i).

The 2011 amendment added “but has not successfully...subdivision (2)(B) of

this section” following “grade point average” in (1); in (2)(B)(i), inserted “successfully” and deleted “approved” preceding “institution.”

### **6-85-209. Additional eligibility requirements for a current achiever student.**

(a) In addition to the requirements of § 6-85-206, an applicant is eligible as a current achiever student if the applicant:

(1) Entered postsecondary education before the 2010-2011 academic year:

(A) As a full-time first-time freshman student; and

(B) Within twelve (12) months after graduating high school; and

(2) At the time of applying for the scholarship:

(A)(i) Has been continuously enrolled at an institution of higher education as a full-time student.

(ii) In calculating continuous enrollment under this section, the Department of Higher Education may include one (1) or more courses taken during the summer that meet the criteria for a course under subdivision (a)(2)(B)(ii) of this section;

(B)(i) Has successfully completed at least twelve (12) semester hours of courses granting three (3) or more hours of credit per course at an approved institution of higher education.

(ii) A course granting less than three (3) hours of credit may be counted toward the twelve (12) semester hours under this subdivision (2)(B) if it is related to a credit course required for a degree; and

(C) Has achieved a postsecondary grade point average of at least 2.5.

(b) The department may waive the requirements of subdivision (a)(1)(B) or (a)(2) for eligibility under this section if an applicant does not meet those eligibility requirements due to the applicant's full-time duty in the active uniformed service of the United States, including members of the National Guard and reserve components of the armed forces on active duty orders.

(c) This section also applies to an applicant who:

(1) Applied for a scholarship as a current achiever in the 2010-2011 academic year;

(2) Did not meet the eligibility requirements for a current achiever based on the continuous enrollment requirement of subdivision (a)(2) of this section as it existed on June 1, 2010; and

(3) Either:

(A) Received a scholarship under § 6-85-208 as a nontraditional student; or

(B) Did not receive a scholarship under this subchapter.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2010, No. 265, § 8; 2010, No. 294, § 8; 2011, No. 207, § 9.

**Amendments.** The 2010 amendment by identical acts Nos. 265 and 294 rewrote the section.

The 2011 amendment added the (a) designation; added the (a)(2)(A)(i) designation; inserted (a)(2)(A)(ii); inserted “successfully” in (a)(2)(B)(i); and added (b) and (c).

## 6-85-210. Continuing eligibility.

(a) A recipient who meets continuing eligibility criteria under this subchapter shall receive a scholarship for one (1) academic year renewable annually until the recipient first:

(1) Earns a baccalaureate degree;

(2)(A) Attempts a transcript total of one hundred thirty (130) semester hours in eight (8) semesters at any approved institution of higher education as an undergraduate full-time student.

(B) If the recipient’s undergraduate degree requires additional hours, the Department of Higher Education, in conjunction with the institution of higher education where the recipient is enrolled, shall determine the maximum period of time for renewal of the scholarship; or

(3) Attempts a transcript total of one hundred thirty (130) semester hours in sixteen (16) semesters at any approved institution of higher education as an undergraduate part-time student.

(b) To maintain eligibility for an Arkansas Academic Challenge Scholarship under this subchapter, a recipient shall meet the following requirements:

(1) A recipient shall continue to meet the eligibility requirements of this subchapter while a recipient of a scholarship under this subchapter;

(2)(A)(i) A recipient shall meet the satisfactory academic progress standards required to receive other financial aid at the approved institution of higher education where the recipient is enrolled, as determined by the Department of Higher Education in conjunction with the institution of higher education where the recipient is enrolled.

(ii) By accepting scholarship funds under this subchapter, the receiving institution certifies that students will be enrolled in courses that will meet satisfactory academic progress standards leading toward a certificate, an associate degree, a nursing diploma, or a baccalaureate degree.

(B) The Department of Higher Education may approve a leave of absence for a reason that includes without limitation:

(i) A medical condition of the student or a member of the student’s immediate family that, on the basis of a physician’s good-faith judgment, necessitates the student or the student’s immediate family member to be hospitalized or receive outpatient or home-based medical care or recuperation until released by the attending physician;

(ii) A personal or family emergency that requires the student to:



- (a) Attend the funeral of an immediate family member; or
- (b) Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;
- (iii) Military service under § 6-61-112;
- (iv)(a) A commitment for twelve (12) to twenty-four (24) months of service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose.
- (b) The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project.
- (c) The department shall release a scholarship hold if the department determines that the student did not complete the commitment under the written agreement; or
- (v) Any other reason approved by the Department of Higher Education.

(C) [Repealed.]

(3) A recipient who enrolls in one (1) or more remedial courses shall complete all remedial courses required by the approved institution of higher education by the time the student completes the first thirty (30) semester hours attempted after receiving the scholarship;

(4) A recipient shall earn a postsecondary grade point average of 2.5 or higher at an approved institution of higher education;

(5) A recipient shall enroll in courses that lead toward a baccalaureate degree program after attempting the lesser of:

(A) Sixty-six (66) semester hours; or

(B) The completion of an associate degree program, unless the number of hours required to complete the associate degree program exceeds sixty-six (66) semester hours, in which case the higher number of hours for completion shall be used for this subdivision (b)(5); and

(6) A recipient shall meet any other continuing eligibility criteria established by the Department of Higher Education.

(c)(1) If a recipient becomes ineligible for the scholarship because the recipient's postsecondary grade point average or number of successfully completed credit hours no longer meets the minimum requirement for the scholarship, the recipient may regain eligibility under this subsection (c) one (1) time in an academic year.

(2) Except as provided under § 6-85-211(a)(3) and unless the requirements of this subsection (c) are waived by the Department of Higher Education, to regain eligibility for the scholarship:

(A) A full-time student shall:

(i) Successfully complete at least fifteen (15) semester hours of courses for credit for which the approved institution of higher education certifies that the courses meet the satisfactory academic progress standards of the institution; and

(ii) Achieve a 2.5 grade point average for the semester hours completed under this subdivision (c)(2)(A); and

(B) A part-time student shall:

(i) Successfully complete at least six (6) semester hours of courses for credit for which the approved institution of higher education certifies that the courses meet the satisfactory academic progress standards of the institution; and

(ii) Achieve a 2.5 grade point average for the semester hours successfully completed under this subdivision (c)(2)(B).

(d)(1) If a recipient becomes ineligible for the scholarship because the recipient has not successfully completed the required number of hours for continuing eligibility, the recipient may regain eligibility under this subsection for one (1) time only.

(2)(A) Except as provided under § 6-85-211(a)(3) and unless the requirements of this subsection (d) are waived by the Department of Higher Education, to regain eligibility for the scholarship the recipient shall complete the number of hours needed to regain eligibility.

(B) The recipient shall successfully complete the required number of hours during the summer term at the student's own expense.

(e) If a recipient is subject to losing a scholarship under subsection (c) or subsection (d) of this section due to a catastrophic event experienced by the recipient or a family member of the recipient, the department may waive the requirements of this subsection and determine the appropriate requirements for the recipient to either retain or regain the scholarship.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, §§ 11–14; 2010, No. 265, §§ 9, 10; 2010, No. 294, §§ 9, 10; 2011, No. 207, §§ 10, 11.

**Amendments.** The 2009 amendment inserted “transcript” in (a)(2)(A) and (a)(3); inserted “a nursing diploma” in (b)(2)(A)(ii); deleted “be” following “shall” in the introductory language of (b)(5); and inserted “or number of completed credit hours” in (c)(1).

The 2010 amendment by identical acts Nos. 265 and 294 repealed (b)(2)(C); and substituted “in an academic year” for “only” at the end of (c)(1).

The 2011 amendment rewrote (b)(2)(B); and inserted “successfully” throughout (c) and (d); and substituted “Successfully complete” for “Complete” in (c)(2)(A)(i) and (c)(2)(B)(i).

## 6-85-211. Literacy tutoring.

(a) As an additional component to the Arkansas Academic Challenge Scholarship Program:

(1) Each applicant for the scholarship shall agree that for each year the scholarship is awarded he or she may volunteer to serve as a literacy tutor for a minimum of twenty (20) clock hours each semester in a public school or a faith-based educational institution serving students in prekindergarten through grade six (preK-6);

(2) A recipient who agrees to volunteer as a literacy tutor:

(A) Shall complete the prerequisite training in literacy and college readiness skills provided under this section before he or she begins tutoring; and

(B) May receive college credit for the tutoring as determined by the institution of higher education where the recipient is enrolled; and

(3) An enrolled college student who participates in the tutorial program and fails to meet the academic eligibility requirement under this subchapter for the fall or spring semester shall be given the probationary opportunity during the subsequent spring or summer term to continue his or her education and improve academic performance before losing scholarship funding in the subsequent semester.

(b) A recipient who agrees to volunteer as a literacy tutor under this section shall receive the prerequisite training in literacy and college readiness from an approved institution of higher education based on training modules developed by the Department of Education.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-212. Scholarship award amounts.**

(a) The General Assembly may use net proceeds from the state lottery to fund the scholarships awarded under this subchapter and to supplement the state-supported student financial assistance that the General Assembly determines is necessary to meet the state's objective for broadening and increasing access of Arkansas citizens to higher education.

(b) Net proceeds from the state lottery used to fund scholarships under this subchapter shall:

(1) Be used exclusively for the purposes set out in Arkansas Constitution, Amendment 87, and this subchapter; and

(2) Supplement and shall not supplant nonlottery state educational resources.

(c) It is the General Assembly's intent that before increasing award amounts for scholarships under this subchapter, the number of scholarships awarded to nontraditional students under § 6-85-208 be increased.

(d) The scholarships established under this subchapter are subject to available funding and do not create for any student an entitlement to financial assistance to enable the student's attendance at an approved institution of higher education.

(e)(1)(A) Beginning with the 2011-2012 academic year, the scholarship award amount under this subchapter for an academic year for a full-time recipient enrolled in a four-year approved institution of higher education is four thousand five hundred dollars (\$4,500).

(B) The Department of Higher Education shall not accept new applications for scholarships for current achiever students under § 6-85-209 after June 1, 2012.

(2)(A) The department shall award an aggregate amount of scholarship awards to nontraditional students beginning with the 2010-2011 academic year of twelve million dollars (\$12,000,000).

(B)(i) The department shall return to the Arkansas Lottery Commission the excess funding, if any, for scholarship awards the department received under § 23-115-801.



(ii) The commission shall deposit any funds received from the department under this subdivision (e)(2)(B) into a trust account established under § 23-115-801(b).

(C) Priority for scholarships awarded to nontraditional students and current achiever students is based on the applicant's level of progress toward completion of a certificate, an associate degree, nursing diploma, or a baccalaureate degree, or on other criteria established by the department.

(3) The scholarship award for a full-time student enrolled in one (1) of the following institutions of higher education is one-half ( $\frac{1}{2}$ ) of the scholarship award amount for a full-time undergraduate student enrolled in a four-year approved institution of higher education:

(A) A two-year approved institution of higher education;

(B) A branch campus of a four-year approved institution of higher education; or

(C) An approved nursing school.

(4) The scholarship award amount for a part-time student recipient shall be:

(A) One-half ( $\frac{1}{2}$ ) of the award amount for a full-time student recipient, if the recipient is enrolled in at least six (6) semester hours but less than nine (9) semester hours; or

(B) Three-quarters ( $\frac{3}{4}$ ) of the award amount for a full-time student recipient, if the recipient is enrolled in at least nine (9) semester hours but less than the number of hours required for a full-time student recipient.

(5) A current recipient who maintains eligibility for the scholarship under this subchapter shall continue to receive the scholarship award amount first awarded to the recipient.

(6) The department shall give priority for a scholarship award to a full-time or part-time student:

(A) Who meets the eligibility requirements under this subchapter; and

(B) Whose parent, by birth or legal adoption:

(i) Was a resident of the State of Arkansas at the time that person entered the service of the United States armed forces or whose official residence is in Arkansas; and

(ii) Was a member of the United States armed forces who was killed while performing military duty:

(a) In a status identified under 32 U.S.C. § 101 et seq. or 10 U.S.C. § 101 et seq. as they existed on January 1, 2011; or

(b) In state active duty status.

(f) Annually by December 15, the Arkansas Lottery Commission Legislative Oversight Committee shall provide to the General Assembly its recommendations for any changes to the:

(1) Award amounts;

(2) Number or type of scholarships; and

(3) Eligibility requirements.

(g) It is the intent of the General Assembly that in determining award amounts under this subchapter the General Assembly will

consider whether sufficient funds will be available to pay for scholarship awards through the anticipated completion of the degree or certificate a recipient is seeking.

(h) All awards under this subchapter are subject to the prohibition under § 6-80-105 against using public funds in a student financial package in excess of the recognized cost of attendance at the institution where the student is enrolled.

(i)(1) If the department has less than a sufficient amount from net proceeds from the state lottery to provide for the scholarship commitments under this subchapter, the department shall give priority for continued financial support under this subchapter to a recipient who has continuing eligibility superior to first-time applicants.

(2) If the funding is still insufficient to fully fund the scholarships created under this subchapter, the department shall award scholarships after considering applicants:

(A) With the highest level of progress toward completion of a certificate, an associate degree, or a baccalaureate degree;

(B) With the highest high school or postsecondary grade point average, as applicable to the applicant; and

(C) Who are enrolled in or intend to enroll in a program of study that is:

(i) In an area of critical workforce need as determined by the department; or

(ii) In a science, technology, engineering, or mathematics field.

(j) When the General Assembly determines that there exist sufficient net lottery proceeds to fund students enrolling in certificate, associate degree, and baccalaureate degree programs, the department shall submit recommendations to the Arkansas Lottery Commission Legislative Oversight Committee for the award of scholarships and grants to certain graduate and professional programs at approved institutions of higher education.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, §§ 15–22; 2010, No. 265, §§ 11–13; 2010, No. 294, §§ 11–13; 2011, No. 207, §§ 12–14; 2011, No. 825, § 1; 2011, No. 1180, § 1.

**Amendments.** The 2009 amendment deleted the (a)(1) designation; made a grammatical correction in (a); inserted “nursing diploma” in (e)(2)(B); rewrote (e)(4); redesignated the second occurrences of (c) through (g) as (f) through (j); deleted “made in July of the immediately preceding calendar year” at the end of (g); and added (k).

The 2010 amendment by identical acts Nos. 265 and 294 deleted “and to students near completion under § 6-85-209” near the end of (c); added (e)(1)(B) and (C); rewrote (e)(1)(A); inserted present (e)(2)(B) and redesignated former (e)(2)(B)

as (e)(2)(C); in (e)(2)(A), substituted “department” for “Department of Higher Education” and “of twelve million dollars (\$12,000,000), excluding any funding for nontraditional student scholarships under subdivision (e)(1)(C) of this section” for “up to eight million dollars (8,000,000)”; inserted “and current achiever students” in (e)(2)(C); redesignated former (f)(1)(A)-(C) as (f)(1)-(3); deleted former (f)(2) and (g); redesignated former (h)-(k) as present (g)-(j); in (g), substituted “It is the intent of the General Assembly that in determining award amounts under this subchapter the General Assembly will consider whether” for “The department shall ensure that,” substituted “will be” for “remain,” and deleted “and report the balance of those funds to the General Assembly before the amount

of awards under this subchapter are increased by the General Assembly” from the end; and, in (i)(1), inserted “from net proceeds from the state lottery,” substituted “funds from any” for “the department’s,” inserted “made to the department,” and added “before requesting funds from the Scholarship Shortfall Reserve Trust Account under § 23-115-802” at the end.

The 2011 amendment by No. 207 substituted “one (1) of the following institutions” for “a two-year approved institution” in (e)(3); added (e)(3)(A) through (e)(3)(C); substituted “Annually by December 15” for “By November 1 of each year” in the introductory language of (f); deleted “first shall use funds from any Scholarships and Grants Contingency Ap-

propriation made to the department to fund the shortfall before requesting funds from the Scholarship Shortfall Reserve Trust Account under § 23-115-802” at the end of (i)(1); and redesignated former (i)(3) as present (i)(2).

The 2011 amendment by No. 825 added (e)(5).

The 2011 amendment by No. 1180, in (e)(1)(A), inserted “Beginning with the 2011-2012 academic year” and substituted “four thousand five hundred dollars (\$4,500)” for “five thousand dollars (\$5,000)”; deleted former (e)(1)(B) and (e)(1)(C); deleted “excluding any funding for nontraditional student scholarships under subdivision (e)(1)(C) of this section” at the end of (e)(2)(A); and inserted (e)(5).

**6-85-213. Nursing school eligibility.**

(a)(1) The General Assembly recognizes that the State of Arkansas is experiencing a critical shortage of nurses.

(2) It is the intent of this section to allow the Department of Higher Education the opportunity, under specific circumstances, to include an approved school of nursing that would not otherwise be an approved institution of higher education in the Arkansas Academic Challenge Scholarship Program.

(b) The department shall make awards to applicants attending an approved school of nursing under this section if the recipient meets continuing eligibility requirements in § 6-85-210.

(c) The department shall pay scholarship awards under this section only from nonlottery state educational resources.

**History.** Acts 2009, No. 605, § 4; 2009, No 606, § 4; 2009, No. 1405, § 23.

**Amendments.** The 2009 amendment rewrote the section.

**6-85-214. Accountability — Transparency — Legislative oversight.**

(a) The General Assembly finds that:

(1) The continual evaluation of the Arkansas Academic Challenge Scholarship Program and of all state-supported scholarship and grant programs by the General Assembly is critical for maximizing the benefits to the state and its citizens of state financial aid for higher education and meeting state objectives for higher education; and

(2) Accountability and transparency in the implementation of state-supported scholarship programs are fundamental to a proper evaluation of the programs.

(b) The General Assembly finds that the collection of data and the reports required under §§ 6-85-215 — 6-85-220 are necessary to ensure accountability and transparency.



**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

**A.C.R.C. Notes.**

Acts 2011, No. 1195, § 2, provided:

“(a) Until the Bureau of Legislative Research is provided direct read and report only access to the data warehouse of the Arkansas Higher Education Information System under this act, the Department of Higher Education shall provide data to the bureau as follows:

“(1) Weekly uploads of the student application database of the Arkansas Higher Education Information System from students who have consented to the release of information under § 6-85-215;

“(2) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit application data, uploads of the student application database of the Arkansas Higher Education Information System containing de-identified student application data from students who have not consented to the release of information under § 6-85-215 until all student application data has been provided to the bureau;

“(3) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit student data, uploads of the database of the Arkansas Higher Education Information System containing the student data required to be provided under Act 207 of the 2011 Regular Session of the 88th Arkansas General Assembly, § 17, which amends § 6-85-217; and

“(4) By October 15, 2011, the financial aid file of the Arkansas Higher Education Information System.

“(b)(1) The Department of Higher Education shall provide the data whether the data is complete or incomplete or received from an institution of higher education late or on time, with a report to the bureau concerning:

“(A) The name of an institution of higher education that has not submitted complete and correct data by a deadline

published by the Department of Higher Education; and

“(B) The type of data the institution failed to submit or needs to correct.

“(2) The Department of Higher Education shall upload to the bureau any completed, late, or corrected data as soon as it is received by the Department of Higher Education.

“(c)(1) The bureau shall take reasonable precautions, including electronic blocking or redacting, to prevent the disclosure of personally identifiable information of a student, as that term is defined in 20 U.S.C. § 1232g, as it existed on January 1, 2011, unless the parent or guardian of a minor student or a student who is no longer a minor consents in writing to the disclosure of personally identifiable information about that student.

“(2)(A)(i) The bureau shall use a method of redaction substantially similar to the one used by the Department of Education based on the standards used by the Department of Education.

“(ii) The bureau shall not include in a report any set of data that contains less than ten (10) units of data.

“(B) The bureau staff shall inform the Department of Higher Education of any warehouse data used in the preparation of reports and provide the Department of Higher Education at least one (1) working day to review any student-related warehouse data used in preparation of reports before publicly releasing that student-related data without personally identifiable information of a student.

“(d) The Department of Higher Education shall provide other information and records requested by the bureau as soon as possible and in whatever reasonable form requested.

“(e) The Department of Higher Education shall provide a bimonthly report to the Arkansas Lottery Commission Legislative Oversight Committee on the progress of developing the direct read and report only access to the data warehouse of the Arkansas Higher Education Information System to be used by the bureau under this act.”

## **6-85-215. Student consent form.**

(a)(1)(A) A student receiving any state-supported student financial assistance shall complete and sign a form authorizing or refusing to authorize:

(i) The institution of higher education to release the student's individual personal information to the Bureau of Legislative Research;

(ii) The institution of higher education to provide the bureau with academic progress information for the scholarship recipient; and

(iii) The Department of Higher Education to release the student's individual personal information to the bureau.

(B) If a student is less than eighteen (18) years of age, the student's parent or guardian shall complete and sign the form.

(2)(A) A decision to refuse to authorize the release of information under this section does not apply to nonindividually identifiable information released under any other section of this subchapter or under any other law.

(B) In order to provide better statistical data, each institution shall report the number of students who refuse to authorize the release of information.

(3)(A) Before any state funds for state-supported student financial assistance are released on behalf of a student, the form signed by the student or the student's parent or guardian indicating either the student's authorization to release or the refusal to authorize the release of information under this section shall be obtained by:

(i) The department if the department awards the state-supported student financial assistance; or

(ii) The institution of higher education if the state-supported student financial assistance is awarded solely by the institution.

(B) The form shall state that:

(i) The purpose for the bureau's collecting data is to guide the General Assembly's evaluation of the need for adjustments to scholarship program eligibility and funding levels; and

(ii) A refusal to authorize the release of information under this section will not affect the student's eligibility for a scholarship.

(C) A high school student enrolled in a course for concurrent credit is exempt under this section.

(4) The form shall list the categories of information authorized for release under this section.

(5) The Director of the Bureau of Legislative Research may:

(A) Seek an opinion from the Family Policy Compliance Office of the United States Department of Education concerning the requirement to authorize or refuse to authorize the release of information under this section; or

(B) Request the Department of Higher Education to seek the opinion on behalf of the bureau.

(b) The information consented to be released by the student shall include:

(1) A unique student identifier;

(2) Status for Federal Pell Grant;

(3) Postsecondary grade point average;

(4) Number of semester hours attempted;



(5) Number of semester hours completed;  
(6) Gender, race, ethnicity, and age;  
(7) High school graduated from or General Educational Development test score;

(8) High school grade point average; and

(9) ACT score or ACT equivalent score, if available.

(c) This section does not apply to scholarships or other forms of student financial assistance that are completely privately funded.

(d)(1) Approved institutions of higher education shall undertake any procedures necessary to ensure the collection of the information under this section and shall provide it to the bureau in a mutually agreed upon electronic format by November 1 of each school year for students awarded for that academic year state-supported student financial assistance.

(2) An approved institution of higher education may lose its approved status for receiving scholarship funds on behalf of a recipient under this subchapter if it fails to make a good faith effort to:

(A) Collect the student form required under this section; or

(B) Comply with subdivision (d)(1) of this section.

(3) In addition to the provisions of subdivision (d)(2), an institution of higher education that is not in compliance with this section shall not be eligible to accept state aid from the Higher Education Grants Fund account on behalf of a student.

(e)(1) The student data provided to the bureau under this section are not subject to release under the Freedom of Information Act of 1967, § 25-19-101 et seq.

(2) The bureau shall not release any personally identifiable student data received under this section.

(f)(1) The bureau shall inform the Department of Higher Education of any data used in the preparation of reports and provide the department at least two (2) working days to review any student-related data used in preparation of reports before publicly releasing that student-related data without personally identifiable data.

(2) This subsection (f) does not waive the confidentiality of a request of a member of the General Assembly under § 10-2-129.

(g) The department shall collect the release of information form required under this section during the application process for state-supported student financial assistance for all formats of the application.

(h) The department shall establish a standardized method to be used by all institutions of higher education in the state to collect electronically from all students the release of information form required under this section.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2010, No. 265, § 14; 2010, No. 294, § 14; 2011, No. 207, §§ 15, 16; 2011, No. 635, § 1.

**A.C.R.C. Notes.**

Acts 2011, No. 1195, § 2, provided:

“(a) Until the Bureau of Legislative Research is provided direct read and report only access to the data warehouse of the Arkansas Higher Education Information System under this act, the Department of Higher Education shall provide data to



the bureau as follows:

“(1) Weekly uploads of the student application database of the Arkansas Higher Education Information System from students who have consented to the release of information under § 6-85-215;

“(2) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit application data, uploads of the student application database of the Arkansas Higher Education Information System containing de-identified student application data from students who have not consented to the release of information under § 6-85-215 until all student application data has been provided to the bureau;

“(3) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit student data, uploads of the database of the Arkansas Higher Education Information System containing the student data required to be provided under Act 207 of the 2011 Regular Session of the 88th Arkansas General Assembly, § 17, which amends § 6-85-217; and

“(4) By October 15, 2011, the financial aid file of the Arkansas Higher Education Information System.

“(b)(1) The Department of Higher Education shall provide the data whether the data is complete or incomplete or received from an institution of higher education late or on time, with a report to the bureau concerning:

“(A) The name of an institution of higher education that has not submitted complete and correct data by a deadline published by the Department of Higher Education; and

“(B) The type of data the institution failed to submit or needs to correct.

“(2) The Department of Higher Education shall upload to the bureau any completed, late, or corrected data as soon as it is received by the Department of Higher Education.

“(c)(1) The bureau shall take reasonable precautions, including electronic blocking or redacting, to prevent the disclosure of personally identifiable information of a student, as that term is defined in 20 U.S.C. § 1232g, as it existed on January 1, 2011, unless the parent or guardian of a minor student or a student who is no

longer a minor consents in writing to the disclosure of personally identifiable information about that student.

“(2)(A)(i) The bureau shall use a method of redaction substantially similar to the one used by the Department of Education based on the standards used by the Department of Education.

“(ii) The bureau shall not include in a report any set of data that contains less than ten (10) units of data.

“(B) The bureau staff shall inform the Department of Higher Education of any warehouse data used in the preparation of reports and provide the Department of Higher Education at least one (1) working day to review any student-related warehouse data used in preparation of reports before publicly releasing that student-related data without personally identifiable information of a student.

“(d) The Department of Higher Education shall provide other information and records requested by the bureau as soon as possible and in whatever reasonable form requested.

“(e) The Department of Higher Education shall provide a bimonthly report to the Arkansas Lottery Commission Legislative Oversight Committee on the progress of developing the direct read and report only access to the data warehouse of the Arkansas Higher Education Information System to be used by the bureau under this act.”

**Amendments.** The 2010 amendment by identical acts Nos. 265 and 294 redesignated part of (a)(1)(A) as (a)(1)(A)(i)-(iii); in the introductory language of (a)(1)(A), deleted “for which an institution of higher education is required to provide information under this section” following “assistance,” deleted “consent” preceding “form,” and substituted “or refusing to authorize” for “the release of” at the end; in (a)(1)(A)(i), inserted “institution of higher education to release the” near the beginning and deleted “and authorizing” from the end; substituted “Department of Higher Education” for “department” in (a)(1)(A)(iii); deleted “consent” preceding “form” in (a)(1)(B); in (a)(2)(A), deleted “The student may opt out of the release of information” at the beginning, substituted “refuse to authorize” for “opt out applies only to,” and inserted “nonindividually identifiable”; substituted “refuse to authorize the release of information” for “opt

out” at the end of (a)(2)(B); redesignated former introductory language of (a)(3) and (a)(3)(A) as present (a)(3)(B) and (a)(3)(B)(i), respectively; deleted former (a)(3)(B); redesignated former (a)(3)(C) as (a)(3)(B)(ii); deleted “consent” preceding “form” in the introductory language of (a)(3)(B); substituted “A refusal to authorize the release of information under this section” for “The student may opt out of the release of information, and that opting

out” in (a)(3)(B)(ii); added present (a)(3)(C); and, in (a)(5)(A), deleted “student consent” preceding “requirement” and substituted “to authorize or refuse to authorize the release of information” for “and opt out.”

The 2011 amendment by No. 207 redesignated former (f) as present (f)(1) and added (f)(2); and added (g) and (h).

The 2011 amendment by No. 635 added (d)(2) and (3).

### **6-85-216. Institution report to the department.**

(a)(1) An approved institution of higher education that enrolls students receiving scholarships under this subchapter annually shall provide information and semiannually provide updated information to the Department of Higher Education regarding all state-supported student financial assistance whether or not the state-supported student financial assistance is awarded under this subchapter.

(2) The information shall be provided in the form of individual student records and shall include without limitation information regarding:

(A) State-supported student financial assistance;

(B) Demographic student data; and

(C) Disaggregated data on remedial courses.

(b) The department shall establish by rule the:

(1) Specific data required;

(2) Manner of reporting the information required; and

(3) Technology or software required for reporting.

(c) The department shall use the information provided under this section to conduct the research and analysis needed to support the annual report of the Director of the Department of Higher Education to the Arkansas Lottery Commission Legislative Oversight Committee under § 6-85-205.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-217. Information provided to the Bureau of Legislative Research by the Department of Higher Education.**

(a)(1) The Department of Higher Education shall provide to the Bureau of Legislative Research the following data when requested for the purpose of assisting the General Assembly with evaluation and analysis under this subchapter:

(A) Existing individual student data;

(B) Institutional data;

(C) Financial data;

(D) Aggregate student scholarship and grant application and award data; and

(E) Other data needed to track scholarship and grant students receiving state-supported student financial assistance from year to year.

(2) Annually on the first business day of November, the department shall submit to the bureau a report created from the information under subdivision (a)(1) of this section from all students based on the previous academic year.

(3) The department shall provide to the bureau the data files of students who have consented to the release of their information under § 6-85-215 on the following schedule:

(A) Annually, for data collected from students who have consented, the department shall provide:

(i) By October 31, the summer II end-of-term data files and the fall-term data files for the current academic year;

(ii) By February 28, the fall end-of-term data files and the spring-term data files for the current academic year;

(iii) By June 30, the spring end-of-term data files and the summer-I-term data files for the current academic year; and

(iv) By August 15:

(a) The summer I end-of-term data files and the summer-II-term data files for the current academic year; and

(b) The end-of-year data file for the academic year just ended, containing data from all of the previous end-of-term data files for the academic year just ended; and

(B) When requested by the bureau.

(4) The bureau shall use only the data from end-of-term data files for official reporting.

(5) Annually, the department shall provide to the bureau data files from all students who applied for state-supported student financial assistance for the upcoming academic year on the following schedule:

(A) Within thirty (30) days of the submission deadline for the state-supported student financial assistance application, a file containing information on all students who applied for state-supported student financial assistance;

(B) Within sixty (60) days of the submission deadline for the state-supported student financial assistance application, a file containing information on all applicants and their award status for state-supported student financial assistance; and

(C) Within thirty (30) days of the dispersal of state-funded financial aid to the institutions, a file containing information on all students who received state-supported student financial assistance.

(b)(1) To maintain confidentiality of individual student records in accordance with the Family Educational Right to Privacy Act, 20 U.S.C. § 1232g, the Department of Higher Education shall establish a system for removing or recoding any personally identifiable student data in student records that are used by the bureau for research and evaluation of scholarships and grants funded with net proceeds from the state lottery and those funded with nonlottery state educational resources.



(2) The bureau shall assist the Department of Higher Education by providing input concerning the development or modification of the system.

(3)(A) The Director of the Bureau of Legislative Research may seek an opinion from the Family Policy Compliance Office of the United States Department of Education concerning the Department of Higher Education's system, any proposed modification of the system, or any request for information made by the bureau under this section.

(B) The director may request the Department of Higher Education to seek the opinion on behalf of the bureau.

(c) The Department of Higher Education shall make its staff reasonably accessible for consultation with the bureau's staff in developing and responding appropriately to bureau requests under this section.

(d)(1) The Department of Higher Education shall provide data to the bureau in a database or spreadsheet format.

(2) The Department of Higher Education shall provide other information and records requested by the bureau as soon as possible and in whatever reasonable form requested.

(e)(1) The student data provided to the bureau under this section are not subject to release under the Freedom of Information Act of 1967, § 25-19-101 et seq.

(2) The bureau shall not release any personally identifiable student data received under this section.

(f) The bureau's staff shall inform the Department of Higher Education of any data used in the preparation of reports and provide the Department of Higher Education at least two (2) working days to review any student-related data used in preparation of reports before publicly releasing that student-related data without personally identifiable student data.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2010, No. 265, §§ 15, 16; 2010, No. 294, §§ 15, 16; 2011, No. 207, § 17.

**A.C.R.C. Notes.**

Acts 2011, No. 1195, § 2, provided:

"(a) Until the Bureau of Legislative Research is provided direct read and report only access to the data warehouse of the Arkansas Higher Education Information System under this act, the Department of Higher Education shall provide data to the bureau as follows:

"(1) Weekly uploads of the student application database of the Arkansas Higher Education Information System from students who have consented to the release of information under § 6-85-215;

"(2) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit application

data, uploads of the student application database of the Arkansas Higher Education Information System containing de-identified student application data from students who have not consented to the release of information under § 6-85-215 until all student application data has been provided to the bureau;

"(3) Within two (2) weeks of the deadline published by the Department of Higher Education for institutions of higher education to submit student data, uploads of the database of the Arkansas Higher Education Information System containing the student data required to be provided under Act 207 of the 2011 Regular Session of the 88th Arkansas General Assembly, § 17, which amends § 6-85-217; and

"(4) By October 15, 2011, the financial aid file of the Arkansas Higher Education Information System.

“(b)(1) The Department of Higher Education shall provide the data whether the data is complete or incomplete or received from an institution of higher education late or on time, with a report to the bureau concerning:

“(A) The name of an institution of higher education that has not submitted complete and correct data by a deadline published by the Department of Higher Education; and

“(B) The type of data the institution failed to submit or needs to correct.

“(2) The Department of Higher Education shall upload to the bureau any completed, late, or corrected data as soon as it is received by the Department of Higher Education.

“(c)(1) The bureau shall take reasonable precautions, including electronic blocking or redacting, to prevent the disclosure of personally identifiable information of a student, as that term is defined in 20 U.S.C. § 1232g, as it existed on January 1, 2011, unless the parent or guardian of a minor student or a student who is no longer a minor consents in writing to the disclosure of personally identifiable information about that student.

“(2)(A)(i) The bureau shall use a method of redaction substantially similar to the one used by the Department of Education based on the standards used by the Department of Education.

“(ii) The bureau shall not include in a report any set of data that contains less than ten (10) units of data.

“(B) The bureau staff shall inform the Department of Higher Education of any warehouse data used in the preparation of reports and provide the Department of Higher Education at least one (1) working day to review any student-related warehouse data used in preparation of reports before publicly releasing that student-related data without personally identifiable information of a student.

“(d) The Department of Higher Education shall provide other information and records requested by the bureau as soon as possible and in whatever reasonable form requested.

“(e) The Department of Higher Education shall provide a bimonthly report to the Arkansas Lottery Commission Legislative Oversight Committee on the progress of developing the direct read and report only access to the data warehouse of the Arkansas Higher Education Information System to be used by the bureau under this act.”

**Amendments.** The 2010 amendment by identical acts Nos. 265 and 294 substituted “Department of Higher Education’s” for “department’s” in (b)(3)(A); and substituted “Department of Higher Education” for “department” in (f).

The 2011 amendment inserted “receiving state-supported student financial assistance” in (a)(1)(E); and inserted (a)(2) through (a)(5).

6-85-218. [Repealed.]

**Publisher’s Notes.** This section, concerning the creation of the advisory council, was repealed by Acts 2010, Nos. 265

and 294, § 17. The section was derived from Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2009, No. 1405, § 24.

6-85-219. Reports to legislative committees.

(a)(1) Quarterly during fiscal years 2010 and 2011, the Department of Higher Education shall report to the Arkansas Lottery Commission Legislative Oversight Committee:

(A) The information required by subsection (b) of this section to the extent the information is available;

(B) The costs of administering scholarships funded with net proceeds from the state lottery;

(C) Projected levels of state funding for scholarships and grants;

(D) Recommendations for changes to the program, including without limitation adjustments to eligibility requirements of the Arkansas Academic Challenge Scholarship Program and award levels; and

(E) Other data the committee or the General Assembly may require.

(2) The Arkansas Lottery Commission Legislative Oversight Committee may specify criteria related to any item of information required by this section.

(b)(1) Annually by July 1, the department shall report to the Arkansas Lottery Commission Legislative Oversight Committee in the manner and format that the committee requires on all state-supported student financial assistance awarded by the department and awarded by approved institutions of higher education.

(2) The information provided shall include without limitation:

(A) Current year expenditures for scholarships and grants under the program;

(B) Projected obligations for succeeding years from each scholarship or grant funding source;

(C) Fund balances for the:

(i) Higher Education Grants Fund Account; and

(ii) Trust accounts maintained by the Director of the Department of Higher Education to hold the net proceeds from the state lottery;

(D) An evaluation of whether the net proceeds from the state lottery available for the program supplements and does not supplant nonlottery state educational resources;

(E) Recommendations for changes to the program, including without limitation:

(i) Adjustments to the eligibility requirements of the program; and

(ii) Increases or decreases in the amounts awarded for an Arkansas Academic Challenge Scholarship based on the amount of net proceeds from the state lottery available; and

(F) Any other information that the Arkansas Lottery Commission Legislative Oversight Committee or the General Assembly may request.

(c) The department shall report to the Arkansas Lottery Commission Legislative Oversight Committee, the House Committee on Education, the Senate Committee on Education, and the Joint Budget Committee on the compliance with § 6-85-216 by each approved institution of higher education.

(d) The Bureau of Legislative Research shall report to the Arkansas Lottery Commission Legislative Oversight Committee, the House Committee on Education, the Senate Committee on Education, and the Joint Budget Committee on:

(1) The compliance with § 6-85-216 by approved institutions of higher education; and

(2) The status of reporting by the department under § 6-85-217.



**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4.

### **6-85-220. Arkansas Lottery Commission Legislative Oversight Committee — Annual report.**

(a) The Arkansas Lottery Commission Legislative Oversight Committee shall:

(1) Oversee the development and implementation of Arkansas Code requirements with regard to the Arkansas Academic Challenge Scholarship Program;

(2) Review whether and how the use of net state lottery proceeds helps to accomplish state objectives for higher education;

(3) Review the ongoing data collection, research, and evaluation of the program;

(4) Review the annual report of the Director of the Department of Higher Education under § 6-85-219;

(5) Review and recommend changes to the:

(A) Number of awards for each scholarship and grant;

(B) Award levels;

(C) Eligibility requirements; and

(D) Overall administration of the program; and

(6) Review and recommend policies for scholarships and grants funded with nonlottery state educational resources, including without limitation ways to ensure that net proceeds from the state lottery are used to supplement and not supplant nonlottery state educational resources.

(b) Annually by December 15, the Arkansas Lottery Commission Legislative Oversight Committee shall report its findings and recommendations to the Arkansas Lottery Commission, the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Governor, the House Committee on Education, and the Senate Committee on Education.

**History.** Acts 2009, No. 605, § 4; 2009, No. 606, § 4; 2011, No. 207, § 18. substituted “Annually by December 15” for “By November 1 of each year” in (b).

**Amendments.** The 2011 amendment

### **6-85-221. Scholarship hold.**

(a)(1) The Department of Higher Education may approve a scholarship hold for a traditional student for a period of twenty-four (24) months or less.

(2) The reasons for a scholarship hold may include without limitation:

(A) A medical condition of the student or a member of the student’s immediate family that, on the basis of a physician’s good-faith judgment, necessitates the student or the student’s immediate family member to be hospitalized or receive outpatient or home-based

medical care or to recuperate until released by the attending physician;

(B) A personal or family emergency that requires the student to:

(i) Attend the funeral of an immediate family member; or

(ii) Visit a relative of the student if the relative has a medical condition in which death is possible or imminent;

(C) Military service under § 6-61-112; or

(D)(i) A commitment of twelve (12) to twenty-four (24) months for service in a national or international humanitarian project sponsored by a nonprofit corporation organized with a charitable or educational purpose.

(ii) The student's commitment shall be expressed in a written agreement with the nonprofit organization including the terms of completion for the student's service on the related project.

(iii) The department shall release a scholarship hold if the department determines that the student did not complete the commitment under the written agreement.

**History.** Acts 2011, No. 207, § 19.















